WILLIAM RAINNEY HARPER COLLEGE
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #512
COUNTIES OF COOK, KANE, LAKE AND MCENRY, STATE OF ILLINOIS

Minutes of the Special Board Meeting of Wednesday, February 14, 1996.

CALL TO ORDER: The Special Board meeting of the Board of Trustees of Community College District No. 512 was called to order by Chairman Moats on Wednesday, February 14, 1996 at 7:02 p.m. in the Board Room of the Administration Building, 1200 W. Algonquin Road, Palatine, Illinois.

ROLL CALL: Present: Members Born, Gillette, Hess, Howard, Kolze and Moats
Absent: Member Barton and Student Member Solarte

Also present: Paul Thompson, President; Ed Dolan, V.P. Academic Affairs; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; David McShane, V.P. Information Services; Cathy Albergo; Vic Berner; Larry Bielawa; Mike Brown; Steve Catlin; J. Harley Chapman; Tom Choice; Charlene Christin; Lori Danaher; Dave Dluger; George Evans; Myriam Forsuk; Robert Getz; Amy Hauenstein; Bill Howard; Thea Keshavarzi; Jeanne Pankanin; Mary Jo Willis; Laurie Wren - Harper College. Ron Gaba; David Pump - Harper Students. Guests: Charles Burnidge and Michael Murphy - Burnidge & Cassell Associates; Judy Thorson, V.P. appointee; and Margaret Van Duch - Chicago Tribune.

Chairman Moats noted that there would be an executive session after the Special meeting to discuss the appointment, employment and dismissal of personnel.

NEW BUSINESS Personnel Action

Member Howard moved, Member Gillette seconded, that the Board ratify the administrative appointment of Judith A. Thorson as the Vice President of Administrative Services as outlined in Exhibit III-A1 (attached to the minutes in the Board of Trustees’ Official Book of Minutes).
Upon roll call, the vote was as follows:

Ayes:  Members Born, Gillette, Hess, Howard, Kolze and Moats
Nays:  None

Motion carried.

President Thompson thanked the Board for their action. He introduced Judy Thorson and briefly summarized her background and accomplishments. She will join the Harper administration on May 1, 1996.

Appointment of College Treasurer

Member Kolze moved, Member Born seconded, that the Board approve the resolution appointing Judith A. Thorson as Treasurer of Community College District #512 effective July 1, 1996 as outlined in Exhibit III-A2 (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes:  Members Born, Gillette, Hess, Howard, Kolze and Moats
Nays:  None

Motion carried.

PRESENTATION

Burnidge & Cassell

President Thompson noted that a great deal of time has been spent with the committees involved in the development of the proposed Building W facility. He thanked them for the time and effort they have given to this endeavor.

Charles Burnidge also thanked the committee members for their hard work and input over the last several months. A copy of the interim report was distributed. The report outlined four different options. Two of the options are the Capital Development Board (CDB) 37,000 square foot, $5.8 million program, while the other two options go further and address the Board's desire to have a facility that fulfills the needs of the performing arts facility and the conference center. Mr. Burnidge explained that Option #1 and Option #3 are one building attached to Building L. Option #2 and Option #4 are two additions. The performing arts facility would be attached to Building L and the conference center would be attached to Building M. Building M is the events and athletic center, while L is the existing performing arts facility.
The CDB budget would require the facility to be pared back to 37,000 sq.ft., while the other options would look at Harper's needs and the necessary square footage to facilitate the program. The philosophy is that the performing arts facility is an instructional facility, while the function of the conference facility is to reach out to the business community.

A booklet was distributed which outlined breakdowns of the different spaces and addressed square footage, costs, equipment, and cost for services. Mr. Burnidge explained the diagrams in detail. One option offers 37,000 square feet in one building located at Building L and extending toward Buildings A and M. This configuration was chosen to allow future expansion of the performing arts facility to the south and expansion of the conference center west toward Building M. This would provide a drop-off location separate from the main campus entrance. It would provide a protected entry into the facility, and allow access into the performing arts facility or the conference center.

Mr. Burnidge stated that one of the important issues that evolved out of discussions is that the conference center have a significant entrance since it will introduce the business community to the campus environment. It was agreed that it should be in a prominent location and have an impressive physical image as individuals approach the building. Both of these facilities should also have sufficient space for future expansion. The architects envision the art gallery in a scheme such as this, located off the lobby space. Thus, the gallery would be a part of either space and could be enjoyed by both groups.

Option #1, which uses the CDB square footage, allows for a seating capacity of 350 in the theater and 150 in the conference room. The estimated cost for this option is $5,810,987.00. This is within the CDB budget with the exception of the loose equipment that would be a part of the needs. The loose equipment refers to the rigging, orchestra shells, lighting, etc. Member Kolke asked if there is a rule of thumb for percentage of cost. Mr. Burnidge stated that the estimates for this equipment range from $965,000 to $1,914,000. State-of-the-art equipment is used in calculating the higher costs.

Option #2 addresses the same idea, but encompasses other needs as envisioned by the committees. Mr. Burnidge noted that this is not an unnecessarily lavish facility, but the increase in square footage from 38,000 to 62,900 sq.ft. provides adequate space for many of the areas that have been reduced or eliminated in the CDB plan such as the costume area, storage of sets, workshop, and dock facility. It also allows a 450 seat auditorium for the theater and a 250 seat space for the conference room. He stated that it was Ms. Quirk's feeling that 250 seats is the proper size for a conference center. The cost of this building would be approximately $9,576,000. These costs are based on the construction of the facility in 1997.
Option #3 is also based on the CDB budget in terms of square footage. This scheme places the performing arts facility next to Building L with the lobby placed in such a way that a future addition could share the lobby and drop-off area. The conference center would be built to join Building M, utilizing the 6,000 square feet of unused space in the racquetball courts. This increases the square footage in the two programs because of the duplication of such areas as lobbies, coat rooms, restrooms, etc. However, there is a cost savings because they would be remodeling 12,000 square feet within the existing building rather than building new. The relationship between the current programs housed in Building M and the use of the conference center were discussed. The square footage for this option is very close to the CDB program (42,100). The CDB has indicated that remodeled space can be included as part of this program, and that they are more concerned with the equivalency in dollars than the square footage. In response to a question from Chairman Moats, Mr. Burnidge stated that the racquetball court space is included in the 42,100 square feet. Member Born asked if the reconfiguration of the parking is included in these figures. Mr. Murphy stated that the site work is included in the cost. However, Mr. Burnidge noted that it would not include building a new parking lot. It would include the drop-off area and a realignment of a driveway to that area. Mr. Burnidge stressed the importance of convenient access to the primary entrances of the College.

Option #4 addressed more of the needs of the facilities and encompasses 67,000 with expansion options. The seating capacity would be 450 for the performing arts facility and 250 for the conference center which would be attached to Building M. The reason the square footage is slightly larger than in Option #2 is because of the duplication of the lobbies, restrooms, etc., as well as the addition of expanded programs and food service in the conference center. The budget for Option #4 is $9,836,000.

Mr. Burnidge reviewed the additional costs for all of the facility options. The specialty equipment totals range from $965,000 to $1,914,000. The cost of additional architectural and engineering fees range from $83,000 to $525,000. This expense has a relationship to the size and scope of the buildings. Furniture and fixed equipment deals with all the tables and chairs in both facilities.

Member Born stated that it was her understanding that the stage facility would also be used by the conference center rather than building a separate facility for that purpose. She felt that appropriate food service for the corporate center was very important. In terms of the food service, Mr. Burnidge explained that if the facility is combined, the combined lobby space would allow for more convenient food service space than if there were separate facilities. Because of the reduced space in the CDB programs, food service would be provided in one of the break-out rooms or in the conference room itself. The expansion of those programs would address this problem. In response to the question
of combining the facilities, Mr. Burnidge stated that a proper conference center always has a work surface for the attendees, and that the seating is arranged to facilitate interaction between the attendees and the presenter. In addition, it became apparent in discussions with the committees that when dance, music, theater and student activities are combined, the performing arts facility will be fully utilized even without the conference center use. Member Born asked that the amount of utilization be explained in more detail to the Board at a later date.

Member Hess asked if the walls of the conference center are moveable. Mr. Burnidge explained that the 60-person spaces will be divisible into 30-person spaces, whereas the rest are dedicated areas. However, this is still being discussed. Mr. Murphy added that the conference center is a tiered facility because a major component for this area is teleconferencing, which does not lend itself well to having moveable sections.

Member Gillette asked if the inclusion of a woodwork shop for the purpose of continuing education will be included with the theater as it is presently. Mr. Burnidge responded that they are looking at expanding the present work area into the new facility and giving it more height for set building. He noted that the back stage area is part of the instructional aspect of the program. Mike Brown commented that the current location of the workshop limits the height of the sets that can be fabricated. Chairman Moats asked why that was not taken into consideration when the building was recently remodeled. Mr. Brown explained that Phase II was moved into Phase I in order to get the art area in early. This necessitated using what was designated as basement space at that time.

Member Gillette voiced concern about the athletic teams and conference attendees using the same area simultaneously. Mr. Burnidge agreed that the entrance for the athletes would need to be rerouted. He added that parking utilization is considered to be part of the separation of the areas.

Member Gillette questioned the logistics of getting the students from their classrooms to the theater area. Mr. Burnidge stated that this is being discussed. Member Gillette asked if the performance space in J-143 could be used as a conference auditorium after the new performance center is in place. Mr. Burnidge stated that this option was studied, but it was determined that the steep grade makes it dangerous. In addition, the inclusion of work surfaces would not allow for adequate seating capacity. Mr. Murphy added that massive restructuring would be necessary because of the closeness of the seats in the present arrangement. The utilization study determined that it would not be possible to use this area as a conference center because it is already heavily booked for student activities, classes, testing, etc. The staff will provide the utilization study for review.
Member Gillette asked if the price of the art gallery is in addition to any of the available options. Mr. Burnidge agreed that it is. It would be adjacent to the lobby and could be used in conjunction with the lobby for events such as receptions, play openings, etc.

Member Gillette asked for estimates of the costs for utilities and maintenance services for the facilities. Mr. Burnidge agreed to provide this information.

Mr. Burnidge suggested that the Board and staff members join him on a tour in the Chicago area of some of the new facilities of this nature. The tour would include performing arts facilities at Elgin Community College, College of DuPage, and Moraine Valley Community College, as well as theater space in Chicago at the Royal George Theater and Steppenwolf Theater. The tour could also include visits to conference centers in Elgin and at Arthur Anderson in St. Charles, IL.

It was agreed to tour these facilities on February 21, leaving Harper College at 7:30 a.m.

Mr. Burnidge stated they would like to have direction in terms of options and dollars by the March 13 meeting in order to stay on schedule. This was agreeable to the Board members.

Member Howard commented that there would be rental income from both the theater and the conference center and questioned how that would influence the operational costs. President Thompson did not feel that the College could count on rental income from the auditorium space.

Mr. Burnidge and Mr. Murphy left the meeting at this time.

INFORMATION

1) 1990-95 Facility Renovation Funding Plan

Information was reviewed regarding the previous College facility renovation and funding plan which was developed in 1989/90 and implemented through 1995/96.

Mr. Manke explained the information in the Construction Funding Sources 1995 document in detail. Money was moved from Phase II to Phase I in order to build the three-dimensional art classrooms earlier, but this did not change the total available local funding. The life safety funding amount did change, but did not affect the local dollars. The ten-year bond for the Bookstore funding was sold approximately three years ago with the money being utilized for the construction of the new Bookstore. The Foundation funding was to be used to help remodel Building A and to support some of the funding for the new performing arts center. The total of all funding sources is $19,381,989.
In terms of completion of projects in Phase I, the remodeling of Building F is complete except for final punch list items and the funds will be paid out before June 30, 1996. Remodeling of Building A has not been started.

In Phase II, the contract for the remodeling of Building V will come before the Board at the March Board meeting. Other small renovation projects are still being completed. The money that was identified from local funds for the Performing Arts center was $2,710,234. This was set aside by the Board in 1990-91.

In order to get to the $19,381,989, in 1991 there was a base cost of $17,078,725. There were also some dollars built in for inflation because of the length of time to address these projects. Then a life safety adjustment was needed for the remodeling of Building F. The Life Safety funding was increased $1,029,562, which ties back to the total of funding for all of the projects.

Chairman Moats asked if the $2,710,000 for the performing arts facility was the original amount. Mr. Manke stated that it was higher than that and included $60,000 and $1,085,000. The amount of $1,145,000 was moved up to the three-dimensional art classrooms.

Member Kolze asked if the $1,070,014 still exists in the Phase I funding for the remodeling of Building A. President Thompson stated that the College has not received the $500,000 from the Foundation, and the $570,014 is available to the College if they levy for it, which has not been done yet.

In summary, the items on this list which have not been completed are Building A, the theater, Building C, Building E, Building H and Building V. Building U is no longer of concern because many of the functions were moved to the new Print Shop.

Members Kolze and Gillette suggested that the remodeling of Building A be moved to Phase II and the remodeling of Building V be moved to Phase I. Member Howard and Chairman Moats preferred that the present exhibit be revised. Board members agreed to the latter suggestion.

2) Status Report of Construction Projects

Building L: In summary, the contingency amount of $289,042 was necessary to bring the project in at budget. Those dollars came from the fund balance in the Operations & Maintenance (Restricted) Fund. Thus, the funding source equaled the final contract amount. It was noted that this does not include the furnishings.

Building F: Mr. Manke noted that the contingency of $275,047 was taken out of the O&M (Restricted) fund balance to complete the building. The $2,905,496 life safety funding included a $1.5 million bond sale as well as a two-year levy.
Building S: Mr. Manke noted that there was no life safety funding on this project. A contingency of $275,399 was used to complete the project at a cost of $1,354,512.

Buildings I and V: The construction bids for these buildings will be brought to the Board at the February 22 meeting. He noted that the bids have come in under budget. He briefly reviewed the funding for these projects.

Member Kolze asked for an explanation of the use of the contingency funds. Mr. Manke explained that the bids were higher than the budget, and explanations were provided to the Board before approval was given to use the contingency. The contingency comes from interest earnings, which were in excess of $2 million from 1990-95. Mr. Manke explained that using the contingency in this manner rather than as an amount built into the original budget puts more pressure on the architect to bring the building in on target.

Mr. Manke noted that the bids for Building I have come in under budget after being sent out again. He noted that Building I was not on the list of Construction Funding Sources, but it was moved up in schedule as part of the technology plan. This will also be funded out of the O&M (Restricted) Fund.

3) Operations & Maintenance (Restricted) Fund Balance Analysis

The fund balance per the audit of June 30, 1995 was $4,743,136. The estimated fund balance at the end of June 30, 1996 is $6,220,136. The estimated expenditures from 1-30-96 through 6-30-96 equal $1,400,187, leaving an estimated fund balance of $4,819,949. Taking into consideration the 1996-97 estimated revenue of $1,410,000 and the estimated expenditures of $1,569,628 that have been approved, the estimated fund balance as of June 30, 1997 would be $4,660,321. Mr. Manke noted that this is the fund balance only for the O&M (Restricted) Fund. There is also a restricted amount in the O&M Fund of $2.6 for future construction projects. The fund balance for the O&M Fund is projected to be approximately $6 million. If the $2.6 million in restricted funds is subtracted, there is an estimated balance of $3.4 million.

Chairman Moats asked when these funds will be reviewed by the Budget Committee. Mr. Manke stated that the O&M (Restricted) Fund for the 1996-97 fiscal year was discussed at the committee meeting on this same date.

Mr. Manke stated that this fund is in very good condition, and that there are adequate funds to do a number of the projects that are still left in Phase II. He noted that Building I was not planned for in the original facility plan.
Member Kolze asked how these figures relate to the Board’s stated goal of maintaining a 20 percent fund balance. Mr. Manke stated that this fund was not included in that, but the O&M fund still exceeds the 20 percent goal. The Education Fund is well over that goal as well.

4) Future Facility Renovation Needs

President Thompson and Mr. Manke have been discussing additional needs for renovation of space that were not considered in the past. He distributed a diagram indicating areas that are being considered for renovation. These included Buildings A, C and E. There are also serious defects in Building D classrooms relating to acoustics, heating and air conditioning, and renovations needed in Building H. The Information Systems area has been put on hold until a decision can be reached regarding the best solution for the long term. President Thompson asked the Board to consider the administration’s recommendation that another long-range study be done. Mr. Manke noted that the first study by Legat Architects was approximately $9,000 but was contingent upon their firm doing the work for the College.

Member Howard stated that she is in favor of having a study done as it enables the College to make decisions in a coordinated fashion and plan funding. It was the consensus of the Board that the administration present a recommendation at the next Regular Board meeting.

It was agreed that although the fund balances are sufficient at this point in time, the effect of the tax cap over the coming years must be taken into consideration.

Mr. Manke noted that when renovations are done on a piecemeal basis, it affects the ventilation and heating systems. In addition, different methods of instruction necessitate renovations that were not considered in the past. Thus, it is important to take the time to study the proposed renovations carefully before action is taken.

Member Born stated that she has had a number of calls recently from citizens who question how the Board is spending the tax dollars. She felt that the Board has to be very careful how the money is spent.

Chairman Moats commented that although the College has been fortunate to have the second site proceeds, the declining fund balances necessitate careful planning by the Board and administration.
OTHER BUSINESS

President Thompson stated that meetings have been held with IDOT regarding the proposed Algonquin expansion. He distributed a proposal from Harper to IDOT and asked that action be taken at the February 22 Regular Board meeting. There will be construction costs incurred by the College, but it is proposed that IDOT pay for those expenses in exchange for a parcel of land between the water retention area and Algonquin east of the entrance. Member Gillette recommended that Harper accept this agreement rather than pay more money in the future. Members Kolze and Gillette noted that the land in question is of very little value to the College. The recommendation will come before the full Board at the February Regular meeting.

EXECUTIVE SESSION

Member Gillette moved, Member Howard moved, that the Board adjourn into executive session to discuss the appointment, employment and dismissal of personnel.

Upon roll call, the vote was as follows:

Ayes: Members Born, Gillette, Hess, Howard, Kolze and Moats
Nays: None

Motion carried and the Board adjourned into executive session at 9:10 p.m.

ADJOURNMENT

Following executive session, the regular meeting was reconvened and immediately adjourned at 9:38 p.m.

Chairman
BOARD REQUESTS

FEBRUARY 14, 1996 SPECIAL BOARD MEETING

1) Member Born asked that the present and proposed utilization of Building W be explained in more detail to the Board at a later date.

2) Member Gillette asked for estimates of the costs for utilities and maintenance services for the facilities. Mr. Burnidge agreed to provide this information.