SOUTHEAST COMMUNITY COLLEGE

Chairperson Seim called the regular meeting of the Southeast Community College Board of Governors to order at 3:00 p.m. on Tuesday, May 15, 2018, at the Milford Campus, Dunlap Center, Rooms A & B, 600 State Street, Milford, Nebraska.

Roll Call:

Present:

Nancy Seim, Lincoln
James Garver, Lincoln
Robert Feit, Lincoln
Kathy Boellstorff, Johnson
Dale Kruse, Beatrice
Steve Ottmann, Dorchester
Edward Price, Lincoln
Donald Reiman, Virginia
Lynn Schluckebier, Seward
Kristina Yates, Lincoln
Pat Galitz, Faculty Representative
Zac James, Milford Student Representative

Absent:

Terrence Kubicek, Lincoln (absent due to work commitment)

Others Attending:

Paul Illich, President Rex Schultze, Legal Counsel Lynda Heiden, SCC Area

Registered Visitors:

Stu Osterthun, SCC Area
Bruce Tangeman, SCC Area
Dennis Headrick, SCC Area
Robin Moore, SCC Area
Ed Koster, SCC Milford
Bev Cummins, SCC Lincoln
Kenton Baughman, SCC Milford
Bob Morgan, SCC Beatrice
Jim Iseman, Faculty Association
Karen Koch, Design & Drafting Faculty
Jose J. Soto, SCC Area

Chairperson Seim welcomed everyone to the meeting.

Public Meeting Law Compliance Statement

Chairperson Seim stated the public meeting notice had been published in the *Lincoln Journal Star* on Monday, May 7, 2018, as well as posted on the bulletin board in the Area Office and the website.

She indicated that the meeting is conducted according to the principles of the revised *Robert's Rules* of Order.

Chairperson Seim indicated that supplementary materials were available at the entrance of the room, along with a copy of the Open Meetings Law. A specific agenda item is reserved for Public Comment, #11. To testify during this time any member of the audience may approach the Board table. In general, oral testimony by individuals is limited to five minutes. Written testimony will also be accepted for the public record.

Consent Agenda

The following items were on the Consent Agenda:

- 1) Approval of Agenda as Presented or Amended
- 2) Approval of Minutes of April 17, 2018 Regular Board Meeting
- 3) Approval and Ratification of Bills and Claims
- 4) Approval of Personnel Changes for College Administrative and Support Personnel
- 5) Approval of Hiring and/or Resignations of Instructional Staff
- 6) Organizational Charts

Mr. Feit moved approval of the consent agenda. Seconded by Mr. Schluckebier.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

FOR (10): AGAINST (0) ABSENT (1)
Feit Kubicek
Schluckebier

Reiman* Ottmann

Garver* <u>Motion Carried</u>

Price Boellstorff Yates Kruse Seim

 With regard to the Consent Agenda items for Bills and Claims, I abstain from the action with regard to the voucher number (listed below) and vote to approve all other bills and claims and all other Consent Agenda items.

Mr. Reiman V0647321

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^{*}Upon being called for the vote, the Board member listed below stated:

 With regard to the Consent Agenda item for minutes, I abstain from the action with regard to minutes of April 17, 2018, and vote to approve all other Consent Agenda items.

Mr. Garver

Financial Report

Dr. Illich reviewed the financial report for the period through April 30, 2018. He also reviewed the investment accounts.

Budgeted Revenue/Actual Revenue & Budgeted Expenses/Actual Expenses

Revenue:	Variance:	
Local Taxes	(\$737,538)	
Tuition	(\$480,734)	
Other	\$279,722	
Total Revenues	(\$1,106,274)	-1.52%
Expenses		
Personal Services	(\$5,769,908)	
Operating	(\$292,844)	
Travel	(\$136,967)	
Equipment	12,410	
Total Expenses	(\$6,187,309)	-8.3%
Net Position	\$5,081,035	

The budget report ending April 30, 2018 showed:

Percentage of Budget year	83%
Percentage of Budget spent	76.2%
Percentage of Board budget spent	79.7%

Dr. Kruse moved acceptance of the financial report. Seconded by Mr. Garver.

Chairperson Seim asked for discussion. There was none.

Financial Report (continued)

Roll call vote follows:

 FOR (10):
 AGAINST (0)
 ABSENT (1)

 Kruse
 Kubicek

Kruse Garver Feit Ottmann

Yates <u>Motion Carried</u>

Price Boellstorff Reiman Schluckebier Seim

Board Member Reports

Board members reported attendance at the following:

PTK Recognition Day – April 25

Ms. Boellstorff

Mr. Feit

Mr. Schluckebier

Dr. Kruse

AACC Conference

Ms. Boellstorff – attended emergency preparedness sessions – and pointed out 12 items that she learned from these sessions

Ms. Seim – attended academic advising sessions – issues were intake questionnaires, open stock textbooks

The Career Academy Senior Recognition - April 26

Mr. Feit

Energy Generation Operations Presentation - May 3

Mr. Ottmann

LPS Achievement Awards

Rev. Price

Board Team Reports

Executive. Chairperson Seim stated the team met and set the agenda.

Finance & Facilities. Ms. Boellstorff stated the team met prior to the Board meeting. They reviewed the bids for the HVAC / Chiller system for 88th & O Streets, which is an action item later in the meeting. They will start as soon as possible if approved with fall completion. Aaron Epps provided a chart to the Facilities Team showing the progress on projects.

NCCA. Mr. Schluckebier reported that the NCCA Board met on May 7. They approved the 2019 budget, reviewed the audit, and executive director's evaluation review process. They also viewed a presentation by Ms. Cummins.

The NCCA Board had met in January, and Mr. Adams reviewed the legislative bills with them. Each week during the legislative session, Mr. Adams did an excellent job of keeping them well-informed.

President's Report

Dr. Illich reported on and/or handed out information on the following:

Phase I projects – Dr. Illich reviewed the project status.
 He pointed out that as of April 25, approval for the classroom building and for the health sciences building has been given by the Coordinating Commission for all projects submitted. Construction Manager at Risk for the Falls City Learning Center will utilize the same committee as was used for housing.

During the past couple of weeks work has been taking place to secure financing. They just received very good news that Moody has given the College an AA1 rating, which is right below an AAA rating.

On May 23 they expect to go to market.

*Mr. Feit left at 3:25 p.m.

- The Administrative Team has been working with Firespring on a branding plan and new logo.
 Firespring also wants to work with the Board and the CAT team. A work session at the end of June is recommended.
- A ribbon cutting ceremony will be held Thursday, May 17, at the Culinary Restaurant. A three-dimensional wheat sculpture and the large metal brushed planters at the front of the building were made by the Welding program. The Construction program made benches that are right outside of the restaurant.
- At the AACC convention, Dr. Illich accepteded an award for Dan Fogell, who was not able to attend. Mr. Fogell won the Dale P. Parnell Distinguished Faculty Award. This was an inaugural award, and there were 50 nominees. Mr. Fogell was the first recipient of this prestigious award. A celebration will be held at the Lincoln Campus for Mr. Fogell.

(The AACC established the Dale P. Parnell Distinguished Faculty designation in honor of former AACC President and CEO Dale P. Parnell. Mr. Parnell passed away in May 2017. This designation has been established to recognize individuals making a difference in the classroom. Nominees for the faculty distinction recognition should: Demonstrate passion for the students and the classroom; Show willingness to support students, inside and outside of the classroom; Be inclined to participate in college committees; Go above and beyond what is required to ensure that students are successful in their academic endeavors.)

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(AACC Daily Report of May 21, 2017 stated that: Many of today's foundational concepts for community colleges were established during Parnell's tenure as AACC president from 1981 to 1991— the associate degree was defined and created; community colleges were recognized for their importance to workforce development; and the concept of "2+2" (two years of high schools leading to two years of postsecondary education) was established.)

- An RFP for food vendors at the Lincoln Campus is being developed.
- The residential room rates will be approved this fall since the College is going to semesters August 2019.
- After working with Rex Schultze the College will now have a retainer for some items (six items).
 Some specific items will be billed hourly. As a result, the College will be paying less for legal fees.
- Dr. Illich indicated that a Board retreat will be held late June / early July. A Doodle poll will be
 used to find the date that works best. Also included for discussion will be the budget and the
 process for Dr. Illich's goals and evaluation process.
- Dr. Illich indicated that the Executive Team has made some changes to the Board meeting schedule calendar to allow them to meet at the Hebron Learning Center and then to meet in Falls City to see the location of the Falls City Learning Center. Ms. Seim handed out a revised schedule for the Board meeting locations. She indicated if there are any other suggestions for locations of Board meetings to let the Executive Team know.

Faculty Association Report

In the absence of Bob Redler, Dr. Jim Iseman provided a report. He indicated there are now monthly negotiations meetings.

He also provided a report of a visit to the Milford Campus on April 18 by Montez King of NIMS (National Institute for Metalworking Skills). Mr. King is the executive director of the NIMS organization. The organization is geared towards the standardization and accreditation of skilled technicians and their respective educational institutions and training facilities.

The rest of the report reads:

Montez King is invited several times a year to speak on Capitol Hill, Washington, DC, and is part of the President's special task force for Apprenticeship Expansion. His knowledge of trades and industry is very thorough and well-respected.

After his presentation on what NIMS is doing to help with the tremendous skills gap that is present in today's skilled workforce, Mr. King received a tour from several members of the SCC Faculty. He was overwhelmingly impressed with what SCC is doing in both quality and quantity.

The house that the building construction program produces in 10 weeks is an unparalleled feat according to Mr. King. He stood in amazement at the real-life skills that the students were learning from the program.

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NIMS (National Institute for Metalworking Skills) is currently working with the SCC Precision Machining and Automation program to see what avenues need to be taken to have the program become NIMS certified and credentialed. This will most certainly put SCC on the map at a national level, with both Mr. King and the NIMS organization in our corner.

He came away from his tour of the Precision Machining and Automation Program proved extremely impressed. Upon hearing all that the students were taught, and the equipment they had the opportunity to run in this program, Mr. King stated to the instructors of that program:

"I have been to over 1500 technical schools throughout the United States. I can say without a doubt you are one of the top 3 that I have ever had the privilege to visit. I cannot emphasize enough how impressed I am, and to let you know that SCC is doing it right. Don't change a thing, the whole nation needs to see this"

Finally, outside of the SCC:

The following day after his SCC visit, Mr. King had the opportunity to visit various manufacturing facilities across Nebraska. Each one opening his eyes to what Nebraska has to offer the nation when it comes to industry-leading technologies and practices.

He was so impressed he plans on returning to Nebraska in the fall and bringing others from NIMS and hopefully this would influence those in Washington to consider that "There is so much more to Nebraska than Cows and Corn!"

Student Activities Report

Zac James reported for the Milford Campus Student Senate. Mr. James is a 6th quarter Energy Generation Operations student. He will graduate in June. He has been taking advantage of all related classes he could take.

Upcoming activities include free laser tag, more outdoor activities since the Welsh Center is being renovated. They recently had a blood drive and had a speaker on suicide.

Public Comment

There was no public comment.

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Administrative Presentation/Board Review

NCCA Update

Greg Adams, Executive Director of the NCCA, provided an update on the recent legislative session. State aid will be cut 1% from this year's budget and 2% from the next year's budget.

Mr. Adams pointed out that Senator Bowles worked very hard for the community colleges.

Next session property tax should be back into the discussion about re-balancing property tax.

Mr. Adams urged Board members to talk to their state senators. He felt the day that the community college board members were in the Legislature was beneficial. He indicated he had the NCCA Highlights booklet revised, which proved useful.

Design & Drafting Technology Presentation

Paul Buell, Program Chair, and faculty members Karen Koch and Wendy Love, gave an overview of their program – Design & Drafting Technology – Architecture Design Focus. It is a two-year program, with a focus on buildings. An informational sheet was handed out on the program. There is a large demand for graduates from this program, with starting wages in the \$17-\$25 range.

Mr. Buell set up a demonstration that is used in their Strength of Materials Class, to determine how much weight a foam board beam can hold. Pouring sand into a bucket the 5 oz. beam held approximately 24 lbs. before it collapsed.

Review of Preliminary 2018-19 Budget

A preliminary 2018-19 budget was presented for review. The budget included the continuation budget and expanded budget requests.

Dr. Illich reported that property valuation is 2 to 3.5% less than anticipated. As they don't want to raise property tax this year, they will need to find approximately \$1.5 to \$2 million to cut.

Dr. Illich reviewed revenue sources, expanded positions, state aid, and capital improvement projects.

Ms. Jorgens indicated the preliminary budget will be brought to the Board for approval in June. Approval for advertising will not be presented until July or August.

*Ms. Boellstorff left at 4:28 p.m.

*Chairperson Seim declared the Board in recess at 4:34 p.m.

*Chairperson Seim declared the Board in regular session at 4:45 p.m.

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DISCUSS, CONSIDER AND TAKE ALL NECESSARY ACTION WITH REGARD TO:

ACCT Dues

Mr. Garver moved to pay the 2018-19 ACCT dues in the amount of \$6,104. Seconded by Mr. Schluckebier.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

FOR (8):
Garver
Schluckebier
Reiman

AGAINST (0)
Kubicek
Feit
Boellstorff

Yates

Price <u>Motion Carried</u>

Ottmann Kruse Seim

Program Reviews

Dr. Kruse moved to adopt the 2016-17 program review schedule recommended actions and to forward the reviews and recommendations to the Coordinating Commission for Postsecondary Education. Seconded by Mr. Schluckebier

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

FOR (8):

Kruse

Schluckebier

Reiman

AGAINST (0)

Kubicek

Feit

Boellstorff

Garver

Ottmann <u>Motion Carried</u>

Yates Price Seim

Bid for HVAC Replacement at 88 & O

Mr. Ottmann stated that the Facilities Team recommends approval of the Lincoln Air Handler replacement project. This project will replace the existing main air handling unit and chiller, convert the system to glycol, modify duct work to adequately supply an increased volume of air, and integrate the new controls and refrigerant detection systems into the campus building automation system. The engineers estimate was \$1,520,000. The low bid was from NGC group for \$1,510,000.

Mr. Ottmann moved approval of the project and to accept the bid from NGC of \$1,510,000. Seconded by Dr. Kruse.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

FOR (8): AGAINST (0) ABSENT (3)
Ottmann
Kruse
Garver

AGAINST (0)
Kubicek
Feit
Boellstorff

Price

Yates Motion Carried

Schluckebier Reiman Seim

Property Transfer Agreement with the SCC Educational Foundation

Derek Aldridge, legal counsel, reviewed the transfer agreement of the gifting of approximately 50 acres of land to the College by the SCC Educational Foundation. The Foundation Board has already approved the gifting. There is no payment necessary by the College, but the College will need to have an environmental assessment done, obtain title insurance, assume tenants and sub-tenants. Closing should be completed, at the latest, by the end of June.

The Phase 1 environmental assessment is a document review, to make sure there are no leaking underground tanks. If anything is found then Phase 2 takes place.

Mr. Morgan pointed out that approximately 20 acres of this is being farmed and about 20 acres is the Beatrice Business Park.

Mr. Aldridge pointed out that in the future the whole area will be replatted and rezoned. Mr. Schultze pointed out that the Foundation has given this land to expand the Campus, and this will put the property into one piece.

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Mr. Ottmann moved that Southeast Community College (College) should and does hereby: (1) authorize entering into a Property Transfer Agreement with the Southeast Community College Educational Foundation for the transfer to the College of approximate 50 acres of real property, along with buildings and other improvements thereon, south of the College's Beatrice Campus in Gage County, Nebraska; (2) approve the Property Transfer Agreement in the form on file with official College records and as presented at this meeting, or with such changes as are necessary and approved by the President of the College; (3) authorize and direct the President of the College, or a designee for the College, to sign, execute and deliver such Property Transfer Agreement, as may be amended or modified, and any documents or agreements called for in such Property Transfer Agreement, for and on behalf of the College; and (4) authorize and direct the President of the College to retain any necessary professionals for assistance; to pay any transaction and closing costs and expenses related to the transfer of the real property, buildings and improvements, to take or cause to be taken all other action necessary or appropriate to complete any requirements or obligations under the Property Transfer Agreement, and to close the transfer and conveyance transaction upon presentation by seller of good title and an acceptable deed, ground lease assignment and assumption, and any other necessary documents on the described real property to be transferred and received by the College under the Property Transfer Agreement. Seconded by Mr. Schluckebier

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

FOR (8):
Ottmann
Kubicek
Schluckebier
Reiman
AGAINST (0)
Kubicek
Feit
Boellstorff

Garver

Yates <u>Motion Carried</u>

Price Kruse Seim

Asset Purchase Agreement with BBC Building I, LLC

Mr. Morgan pointed out that the Beatrice Business Campus has two tenants. In 2000 or 2001 the dream was that the Beatrice Business Campus would grow. Unfortunately, it did not. The following agreement is to purchase the building that was built then.

Mr. Garver moved that Southeast Community College (College) should and does hereby: (1) authorize entering into an Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases with BBC Building I, LLC, for the purchase by, and the sale, transfer and assignment to SCC of the building and other improvements, the ground sublease, and building sublease agreements on the approximately 20 acres of real property south of the SCC Beatrice Campus in Gage County, Nebraska, known as the Beatrice Business Campus; (2) approve the Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases in the form on file with official College records and as presented at this meeting, or with such changes as are necessary and approved by the President of the College; (3) authorize and direct the President of the College, or a designee for the College, to sign, execute and deliver such Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases, as may be amended or

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modified, and any documents or agreements called for in such Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases, for and on behalf of the College; and (4) authorize and direct the President of the College to retain any necessary professionals for assistance, to pay the purchase price of \$1,200,000, to pay any other transaction and closing costs and expenses related to the transfer of the building, the ground lease, and the building sublease agreements, to take or cause to be taken all other action necessary or appropriate to complete any requirements or obligations under the Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases, and to close the purchase, transfer and conveyance transaction upon presentation by seller of good title and an acceptable quitclaim deed, ground lease assignment and assumption, sublease assignment and assumptions, building tenant estoppel certificates, and any other necessary documents on the described real property to be transferred and received by the College under the Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases. Seconded by Mr. Ottmann.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

 FOR (8):
 AGAINST (0)
 ABSENT (3)

 Garver
 Kubicek

 Ottmann
 Feit

 Price
 Boellstorff

Kruse

Yates <u>Motion Carried</u>

Schluckebier Reiman Seim

Lease Termination Agreement

Mr. Aldridge reviewed the lease termination agreement, indicated that Rare Earth Holding Company has a long term lease. They negotiated for early termination, with an incentive to terminate. Payment will be phased in so it is not all paid upfront. This will be due when they move out in June 2019. They are building an office on the north side of Beatrice, and the College will accommodate their date that their new building is completed.

A telemarketing firm is the other tenant and their lease was up. They are on a month-to-month lease and should be out by January or February 2019.

Mr. Schultze pointed out that Mr. Aldridge and Mr. Morgan have spent weeks working to get everything straightened out. After this is all completed the College will have clear title of ownership and one legal description for the campus.

Mr. Ottmann moved that Southeast Community College (College) should and does hereby: (1) authorize entering into an Lease Termination Agreement with Rare Earth Salts Separation and Refining, LLC, and Rare Earth Holding Company, LLC, for the termination of a building sublease agreement for a portion of the building located on the approximately 20 acres of real property south of the SCC Beatrice Campus in Gage County, Nebraska, known as the Beatrice Business Campus; (2) approve the Lease Termination Agreement in the form on file with official College records and as presented at this meeting, or with such changes as are necessary and approved by the President of the

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College; (3) authorize and direct the President of the College, or a designee for the College, to sign, execute and deliver such Lease Termination Agreement, as may be amended or modified, and any documents or agreements called for in such Lease Termination Agreement, for and on behalf of the College; and (4) authorize and direct the President of the College to retain any necessary professionals for assistance, to pay the lease termination fee of \$250,000, to pay any other transaction and closing costs and expenses related to the termination of the building lease, to take or cause to be taken all other action necessary or appropriate to complete any requirements or obligations under the Lease Termination Agreement, and to close the termination transaction, and to provide or receive any other necessary documents under the Lease Termination Agreement. Seconded by Mr. Schluckebier.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

FOR (8): AGAINST (0) ABSENT (3)
Ottmann Kubicek
Schluckebier Feit
Kruse Boellstorff

Reiman

Garver <u>Motion Carried</u>

Yates Price Seim

Legal Counsel Report

Mr. Schultze reported that on May 23 the attorneys of community college areas will meet.

Time and Place for June Meeting

Chairperson Seim reported that the next regular Board meeting is scheduled for Tuesday, June 19, 2018, at 3 p.m.

Chairperson Seim also indicated there will be a work session later in June.

Good of the Order and Public Comment

There were no items for Good of the Order or Public Comment.

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Adjournment

Chairperson Seim adjourned the meeting at 5:17 p.m.

Kattlun A. Soellstorff)

Kathy Boellstorff Board Secretary

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SOUTHEAST COMMUNITY COLLEGE Personnel Changes

May 4, 2018

	Personnel R	Report: Sta	ff (Noı	n-Fac	ulty)		
ACTION TAKEN							
NAME	ASSIGNMENT	AD	RP	RS	TR	EFFECTIVE DATE	COMMENT
Osterthun, Stephanie	Academic Advisor – Arts & Sciences Division			Х		5/11/18	
Shirk, Kimberly	Human Resources Coordinator – Human Resources Division		Х			5/21/18	Replaces Nicole Austin
LaBrie, Tracy	Custodian I – Physical Plant			Х		6/04/18	

SOUTHEAST COMMUNITY COLLEGE Personnel Changes

May 4, 2018

Personnel Report: Faculty

ACTION TAKEN

NAME	ASSIGNMENT	SALARY	AD	RP	RS	TR	EFFECTIVE DATE	COMMENT	
Feis-Christy, Mary	Instructor, Human Services (.75 FTE) – Community Services & Extended Learning Division			Х			7/10/18	Replaces Jennifer Engelhaupt	
Haag, Gordon	Instructor, Business – Business Division				Х		6/08/18	Retirement	
Hartwell, Fran	Instructor, Long Term Care Administration – Business Division						7/1/18	Permanent reduction in contract from 1.0 to .75 FTE	
Ives, Jeffrey	Instructor, Electrical & Electromechanical – Construction/Electronics/CIT & Mfg. Division			X		Х	7/1/18	Reassignment Replaces Paul Cummins	
Kuszak, Don	Instructor, Professional Truck Driving - Transportation/ Welding & Agriculture Division				Х		5/01/18		
Morphew, Rick	Instructor, Auto Tech – Transportation/ Welding & Agriculture Division				Х		6/30/18	Retirement	
Schoonveld, Eldon	Instructor, Auto Collision – Transportation/ Welding & Agriculture Division				Х		6/30/18	Retirement	
Thompson, Aaron	Instructor, Building Construction – Construction/Electronics/CIT & Mfg. Division				Х		6/07/18		
Williams, Christopher	Instructor, Ford ASSET - Transportation/ Welding & Agriculture Division				Х		4/30/18		

AD=Addition

RP=Replacement

RS=Resignation

TR=Transfer