Regular Meeting
of the
Blackhawk Technical College District Board
January 21, 2009
Minutes

The regular meeting of the Blackhawk Technical College Board was held on Wednesday, January 21, 2009, at the BTC Administrative Center, 6004 S. County Road G, Janesville, in the Board Room. Board members present: Tom Westrick, Chairperson; Lauri Steeber, Vice Chairperson; Chris Olson, Secretary; Jim Munro, Treasurer; Richard Bostwick; Victor González; Kevin Leavy; and Mary Soddy. Board members absent: Heidi Carvin. Staff present: Dr. Larson; Dr. Kennedy; Dan Hartstern; Brian Gohlke; Len Walker; Barbara Erlandson; Jackie Pins; Pat Kempinski; Wanda Sloan; Loren Lippincott; Nancy Lightfield; Andy McGrath; and representatives of the Blackhawk Technical Faculty Federation and the Blackhawk Technical College Educational Support Professionals.

Prior to the start of the regular meeting, Board members toured the newly renovated and expanded Welding Lab, Room 1122.

Chairperson Westrick called the meeting to order at 6:30 p.m. He reported the BTC Board would immediately adjourn to a closed session pursuant to Wis. Stats. 19.85 (1)(c)(e) for the purpose of discussing negotiations with the Blackhawk Technical Faculty Federation and discussing the terms and parameters concerning the lease or acquisition of real property for a Traffic Safety Center and authorizing administration to proceed with negotiations for a transaction, with final action to be taken in open session during a future Board meeting. He indicated the Board would reconvene in open session at approximately 7:00 p.m.

It was moved by Mr. Olson and seconded by Mr. Bostwick to adjourn the meeting to a closed session pursuant to Wis. Stats. 19.85 (1)(c)(e) for the purpose of discussing negotiations with the Blackhawk Technical Faculty Federation and discussing the terms and parameters concerning the lease or acquisition of real property for a Traffic Safety Center and authorizing administration to proceed with negotiations for a transaction, with final action to be taken in open session during a future Board meeting.

The roll was called and the following voted affirmatively: Mr. Olson, Mr. Bostwick, Ms. Soddy, Mr. Leavy, Mr. Munro, Ms. Steeber, Mr. González, and Mr. Westrick.

Motion carried.

Staff members were excused except for Dr. Larson, Mr. Gohlke, Dr. Kennedy, Mr. Hartstern, and Ms. Pins.

It was moved by Mr. Olson and seconded by Ms. Soddy to adjourn the closed session at 6:46 p.m.

The roll was called and the following voted affirmatively: Mr. Olson, Mr. Bostwick, Ms. Soddy, Mr. Leavy, Mr. Munro, Ms. Steeber, Mr. González, and Mr. Westrick.

Motion carried.
A short recess was taken.

Chairperson Westrick called the meeting to order in open session at 7:00 p.m.

It was moved by Mr. Munro and seconded by Mr. González to approve the minutes of the Regular Meeting held on December 17, 2008.

Motion carried.

Chairperson Westrick called for public comment. Rubina Jan provided “60-second success stories” by noting that: Janet White was named the Beloit Rotary Teacher of the Month and the 2009 NISOD Excellence Award recipient; Wanda Sloan recently participated in an educational trip to Ghana; MLK celebration activities on Campus continued to be a success; and the Dental Assistant Club/General Education Division sponsorship of an upcoming field trip to Chicago’s Chinatown and the Museum of Science & Industry.

The December financial statement and quarterly update were reviewed.

Chairperson Westrick called for special reports.

Student Representative to the Board Margaret Leavy was not present; no report was provided.

Lauri Steeber provided an update on BTC Foundation activities.

Dr. Larson presented the President’s monthly report and circulated correspondence and other information received by the District since the last meeting. In addition, he noted that communications received from the State Office last week stated that Dept. of Administration grant funds would be undergoing cuts due to the state’s +$300 million budget shortfall. This could directly affect seven BTC grants. Administration continues to work on determining the impact these cuts would have on BTC students and staff. Additional information was shared on the proposed creation of a sustainable facilities policy by the State Board and discussions regarding future support of the e-Tech College.

Chairperson Westrick called for Unfinished Business. There was none.

Chairperson Westrick called for the Consent Agenda. Mr. Leavy requested that enclosure #6, #8, #9, #10, and #11 be pulled from the Consent Agenda for discussion.

It was moved by Mr. Olson and seconded by Ms. Soddy to approve the consent agenda, excluding Enclosure #6, #8, #9, #10, and #11, which included current bills from the month of December – Voucher #00176980 to and including #00177566 and direct deposit expense reimbursements in the total amount of $1,504,326.93 (includes student related payments), a payroll total for the month of December of $1,223,831.58, payroll tax wire transfers for the month of December of $556,650.08, other wire transfers for the month of December of $67,373.42, WRS wire transfers for the month of December of $113,409.78, P-card disbursements for the month of December of $107,646.60, and a bond payment for the month of December of $0.00, for a grand total of $3,573,238.39; confirmation of a limited-term instructional employment contract issued to Julie Schepple for the position of Office Technology instructor at a salary of $54,928, effective January 5, 2009; confirmation of a limited-term instructional employment contract issued to Cheryl Harsevoort for the position of Psychology instructor at a salary of $50,153, effective January 7, 2009; and confirmation of a limited-term instructional employment contract...
issued to Clifford Bundy for the position of Written Communications instructor at a salary of $45,111, effective January 7, 2009.

Motion carried.

Chairperson Westrick called for discussion on the enclosures in question.

On Enclosure #6, Mr. Leavy questioned whether the College is looking to replace the training that will be lost from Alcoa Wheels when it closes. Ms. Kempinski responded that the College responds to all needs within the business community. This includes the ability to assist businesses in being successful during a transition time. Employees losing their jobs may need additional training when new employment opportunities arise.

On Enclosure #8, Mr. Leavy questioned whether another search would be conducted if the position becomes permanent. Mr. Gohlke responded, as shared during discussion at the December Board meeting, all future limited-term employment (LTE) hires would need to reapply for a position if it became a permanent position. The only exceptions are the two (2) LTE hires made last fall, prior to the December Board discussion. Administration’s intent is to honor what was originally discussed with those employees.

On Enclosure #s 9, 10, and 11, Mr. Leavy questioned whether these positions are in response to the dislocated worker program approved at the December Board meeting. Dr. Kennedy responded the Associate Degree Nursing and Medical Assistant instructors will be funded through contract training. The Nursing Assistant instructor was hired to allow for additional class sections.

It was moved by Mr. Munro and seconded by Mr. González to approve Enclosure #6 – business and industry contracts negotiated since the last meeting—Alcoa Wheel Products, $711.00; Cedar Crest Health Center, $683.00; First American Credit Union, $605.00; The Gathering Place, $99.00; Rock County Human Services, $1,746.00; SW WI Workforce Develop. Bd., $81,510.00; and SW WI Workforce Develop. Bd., $85,628.00; acceptance of the intent to retire of Mary Johnson, Basic Skills instructor, effective July 1, 2009; Enclosure #8 – confirmation of a limited-term instructional employment contract issued to Patricia Baranczyk for the position of Counselor at a salary of $48,203, effective January 5, 2009; Enclosure #9 – confirmation of a limited-term instructional employment contract issued to Victoria Bredeson for the position of Nursing Assistant instructor at a salary of $43,344, effective January 6, 2009; Enclosure #10 – confirmation of a limited-term instructional employment contract issued to Lisa Severn for the position of Medical Assistant instructor at a salary of $43,344, effective January 5, 2009; and Enclosure #11 – confirmation of a limited-term instructional employment contract issued to Leslie Jones for the position of Associate Degree Nursing instructor at a salary of $54,078, effective January 5, 2009.

Motion carried.

Chairperson Westrick called for New Business/Committee Reports.

Nancy Lightfield, Kedron Wiersgalla, and Andy McGrath were present to provide information on the Academic Quality Improvement Program Systems Portfolio accreditation document. Mr. McGrath, Team Leader for Category 5: Leading & Communicating, reviewed the focus of this category, which addresses how leadership and communication processes, structures, and networks guide the organization
in setting directions, making decisions, seeking future opportunities, and communicating decisions and actions to the internal and external stakeholders.

Loren Lippincott presented information on the College’s Emergency Response Plan and steps that have been taken to improve campus safety and security. Several Board members requested that the Active Shooter video be shown at a future date.

Dr. Larson reviewed the progress report on work that has been done towards the achievement of the established goals for the 2008-2011 Strategic Priorities, Objectives & Goals.

Dr. Kennedy presented a list of programs approved for offering in the upcoming year.

Ms. Erlandson reported the District Board is allowed to delegate staff the authority to submit remission requests to the WTCS State Office for out-of-state tuition for needs and worthy students. Due to realignment and title changes, action was requested to name the new positions who would be responsible for this action.

It was moved by Mr. Munro and seconded by Ms. Soddy to delegate authority to request remission authorization from the WTCSB for out-of-state tuition for needy and worthy students to the positions of Director of Student Services (Ms. Barbara Erlandson) and/or Registrar (Ms. Kerry Froehlich-Mueller).

Motion carried.

Mr. Hartstern reviewed the two (2) proposals received for the long-term lease of 15,000 to 20,000 square feet of academic space within the Beloit community. One proposal is for the lease of space at the Eclipse Center on Riverside Drive from Hendricks Development Group; the second proposal is for a lease, with the option to purchase, a build-to-suit property located near I-90 and I-43 from SARA Group. The cost for the Eclipse Center proposal would be $1.7 million over ten years versus $3.7-$4.2 million over ten years for the build-to-suit option. The annual lease cost at the Eclipse Center would be approximately $80,000. Another significant difference between the proposals is the location of the sites. The Eclipse Center is in close proximity to the population base that BTC has served at the Beloit Center. The build-to-suit property would have great visibility on the highway, but BTC’s prospective customers would have farther to travel to the site. He noted that the College did experience a drop in participation of Beloit Center students when those courses were relocated to the Central Campus this past fall. From the service-to-customer point of view, the Eclipse Center is the better option. The length of the lease would be 10 years, with two five-year renewal options. Additional costs for either proposal would be approximately $450,000 for equipment. Board member questions and comments followed. Mr. Munro questioned whether the $750,000 build-out costs and $450,000 equipment costs would be borrowed by the District or financed by the owner with repayment over the 10-year period. Mr. Hartstern responded that the financing of this project can be arranged in whatever fashion the Board wishes. While the costing difference between both of those arrangements would be minimal, it is recommended that the District pay a portion of it down and finance the rest. Mr. González asked what the developer’s interest charge would be if they financed the build-out. Mr. Hartstern stated the developer would use a floating formula that amortizes the principal and interest amount over a 10-year period. Mr. Olson commented he was comfortable in securing a lease with Beloit Properties but has concerns about how this will be funded. By delaying a decision on how this project will be funded, would it cause a problem? Mr. Hartstern responded that it would delay the start of the project and cause the facility to not be ready by the start of the fall 2009 semester. Lease terms have been reviewed by the District’s attorney. The only amount that
needs to be determined at this meeting is how much the District would self-finance. Mr. Munro stated the
cost of the annual lease for the Beloit Center would increase from the previous lease amount of $38,000
to the proposed Eclipse Center lease of $80,000. He stated he was concerned about how much the
$750,000 build-out cost would add. Mr. Hartstern responded an additional $75,000 would be added if the
entire build-out was amortized over 10 years. Mr. Munro stated that would then commit us to
$115,000/year for the next 10 years. The FY 2009-10 preliminary budget figures have not yet been
determined, but we would already be making a commitment against the total amount. He added that last
year’s capital borrowing was $2.5 million. Would that be the base amount for the upcoming year, with
the Beloit Center costs added on? Mr. Hartstern responded that the borrowing for FY 2008-09 increased
because of the Welding Lab renovation project ($800,000). Mr. Olson added that inclusion of the
proposed $750,000 build-out cost to next year’s capital borrowing would replace that aspect of this year’s
General Obligation Notes and would not change our overall borrowing amount. Mr. Hartstern reminded
Board members that in addition to the build-out cost, there would need to be budget support for $80,000
for rent, $450,000 for equipment/furnishings.

It was moved by Mr. Munro and seconded by Mr. Leavy to approve a 10-year lease, with two
optional five-year extensions, with Beloit Properties, Inc., for approximately 15,000 square feet of space
at the Eclipse Center for occupancy August 1, 2009, with the estimated build-out costs of $750,000 and
the $450,000 for equipment/furnishings to be included in capital borrowing for Fiscal Year 2009-10.

Chairperson Westrick called for any additional discussion.

Mr. Olson stated another financing option would be to utilize Fund Balance for the cost of
equipment.

It was moved by Mr. Munro and seconded by Mr. Leavy to amend the motion by striking “and
the $450,000 equipment/furnishings” wording from the motion.

Chairperson Westrick asked Ms. Pins to restate the amended motion.

Ms. Pins restated the motion as, “It was moved by Mr. Munro and seconded by Mr. Leavy to
approve a 10-year lease, with two optional five-year extensions, with Beloit Properties, Inc., for
approximately 15,000 square feet of space at the Eclipse Center for occupancy August 1, 2009, with the
estimated build-out costs of $750,000 to be included in capital borrowing for Fiscal Year 2009-10.

Chairperson Westrick called the question.

Motion carried.

Mr. Hartstern stated the District Board took action in November 2007 to create the BTC Other
Post Employment Benefits Trust, which was partially funded in the 2008-09 budget. Authorization was
requested to adopt resolutions with regard to the use of public depositories for checking and/or the
purchase of certificates of deposit and the State Investment Pool as depositories for the OPEB Trust
assets.

It was moved by Mr. Munro and seconded by Mr. Olson to adopt the attached resolution
authorizing public depositories for the Blackhawk Technical College OPEB Trust.

Motion carried.
It was moved by Mr. Olson and seconded by Mr. Bostwick to adopt the attached resolution authorizing the Blackhawk Technical College OPEB Trust to participate in the State of Wisconsin Local Government Investment Pool.

Motion carried.

Mr. Hartstern reviewed the modifications proposed for the fiscal year 2008-09 budget. Modification 1 is a correction of the function and organizational unit for a fringe benefit budget. Modifications 2, 3, and 4 are funding requests to support Limited-Term Employment staffing adjustments due to enrollment growth. Modification 5 increases the expenditures budget to cover the previously approved OPEB prior service costs. Modification 6 provides funding for four computer kiosks in the Atrium area to assist with student registration.

It was moved by Mr. Munro and seconded by Ms. Soddy to approve the attached budget modifications for the Fiscal Year 2008-09 budget as presented.

Motion carried.

Chairperson Westrick requested the Board postpone discussion and action on Enclosures 24 and 25 until the February Board meeting.

It was moved by Mr. Bostwick and seconded by Ms. Soddy to postpone discussion and action on Enclosures 24 and 25 until the February 18, 2009, District Board meeting.

Motion carried.

Chairperson Westrick called for Wisconsin Technical College District Boards Association items.

Dr. Larson reported the District’s nominee for the 2009 Media Award is media coverage provided by reporter Terri Barr and produced by WISC-TV 3 in Madison. The two-part coverage aired in November and December 2008 and featured an in-depth look at the plight of two transitioning workers in the BTC Culinary Arts program and the collaboration with MATC-Madison and Gateway Technical College. A video of the November segment was viewed.

A reminder was given for the Association’s Winter Meeting being held in Madison on January 22-23.

Chairperson Westrick called for other items.

It was moved by Mr. Olson and seconded by Mr. Bostwick to adjourn the meeting at 9:10 p.m.

Motion carried.

Chris Olson
Secretary