

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

Minutes of the Committee of the Whole meeting of Tuesday, July 11, 1989.

The Committee of the Whole meeting was called to order at 7:35 p.m. in the Board Room of the Administration Building, 1200 West Algonquin Road, Palatine, Illinois.

Present: Members Kris Howard, Michael Miller, Larry Moats and Susanna Orzech

Absent: Chairman Barbara Barton, Members John Coste, Molly Norwood and Student Member Darlene Ivarson

Also present: Paul Thompson, President; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; Dave Williams, V.P. Academic Affairs; Felice Avila, Executive Assistant to the President; Pam Toomey, Recording Secretary; Vic Berner, Dean of Business Services and Finance; Steve Catlin, Dean of Admissions and Registrar; Bill Howard, Dean of Continuing Education and Program Services; Liz McKay, Dean of Academic Enrichment and Language Studies; Martin Ryan, Dean of Liberal Arts; George Voegel, Dean of Curriculum Development; Larry Bielawa, Director of Personnel; Art Bowers, Director of Computer Services; Don DeBiase, Director of Physical Plant; Faculty: Bob Tillotson and Mary Jo Willis; Classified/Pro Tech: Chuck Faenza, Audio-Visual Technician; Bill Neumann, Chairman, Classified Employee Council; Joan Young, Manager, Publications and Communication Services; Sandy Christensen and Mike Gilfillan, Legat Architects.

In the absence of Chairman Barton, Michael Miller presided over the meeting; in the absence of Secretary Norwood, Member Miller appointed Member Orzech as secretary pro tem.

Member Miller stated that the only agenda item for the meeting was a presentation by the administration on the space planning program.

President Thompson introduced the space planning program which he believed is worthy of Board consideration for future generations of the district. He stated that the Executive Council, staff and community have put time and thought into the preparation of the space planning program and wanted to give an overview of it and the thinking that went into the plans.

In looking at space needs on campus, President Thompson stated that space needs included other sites within the district. The College plans on continued use of the Northeast Center. The administration needs to continue using Districts 211, 214 and Bar-

rington High School facilities. The College site at Dempster had to be vacated, but efforts are continuing to replace that space to serve that area of the district. A proposal has been submitted to the Illinois Board of Higher Education (IBHE) outlining a cooperative higher education agreement that would incorporate a needs assessment for upper division study opportunities. The College of Lake County, Oakton Community College, Roosevelt University and Northeastern University are sharing in that study. There is a potential for a future site either on campus or at a location convenient for the institutions mentioned. There is also merit in considering business and industry sites off campus, especially considering the cost of equipment for specialized programs. The College could expand programs significantly if business partners could be found with the appropriate space and equipment. This would keep costs down while enabling the College to serve the district. Technology centers which have been built by community colleges in partnership with business and industry have worked out very well.

At the April retreat, an interim report on a study for a child care facility was presented. Although this is not a part of the space planning program being presented, it is a future consideration. Also for future consideration is a parking deck. If there is interest in faculty and staff paying premiums for parking, this is a possibility.

According to President Thompson, the space plan program study began in 1985. The number of square feet projected, based upon a survey of all constituents who indicated a need for additional space, was 150,000 new square feet at a cost of \$37 million.

This was more than the College is capable of funding, President Thompson stated. The College asked the architect to pare down the project. Some additional spaces for the student center and conference centers had to be cut. Another review brought significant decisions - by renovating some of the current space, the cost could be brought down considerably. Easing the space problem in the Learning Resources Center became one focus. Returning library space for student study and other library services could be accomplished by finding new space for the Liberal Arts Division which now occupies the third floor of the building. Academic Enrichment and Language Studies would be shifted to the third floor. The master plan included a performing arts facility, and this was considered an important part of the plan. The bookstore is too small for the number of students being served and should be replaced with a larger space. By moving the bookstore, more conference rooms could be provided within Building A. With that overview, President Thompson introduced Mike Gilfillan and Sandy Christensen of Legat Architects.

Mike Gilfillan presented the Board with a Space Analysis Report. He stated that in March of 1987, Legat Architects met with the

Board and had identified 14 points in the long term solutions which were presented and accepted by the Board of Trustees. A plan has been developed to address solutions to these points and an economically feasible way of addressing these needs was developed.

Mr. Gilfillan's presentation included the following:

Building F and the library require a large additional space. One of the recommendations of the study was to return Building F entirely to the library. This was based on the fact that the building was initially designed in full size to accommodate the campus and its present FTE enrollment. The space analysis report recommends dedicating two-thirds of the building to the LRC function. The library currently occupies one-half of Building F. The Academic Enrichment and Language Studies programs occupy one-half of the first level and the Liberal Arts Division classrooms and offices occupy the third level. Legat recommends dedicating the lower two levels to the library.

The next recommendation is to return part of Buildings T and U to the Buildings and Grounds Department. The other part would be used for bookstore storage and Publications and Communication Services. Currently they are used for pottery and three- and two-dimensional design programs. The master plan initially designed these for maintenance and storage.

It is recommended that the College construct a 350-400 seat theater as suggested in the study.

Developing a College conference center is addressed by integrating the facility into Buildings A and E. They are recommending leaving student affairs on the third floor of Building A, utilizing the lower two levels of Building A for the College conference center, and upgrading and remodeling Building E lecture halls to accommodate both the College conference center and Continuing Education programs.

New construction of faculty offices and classrooms and remodeling in Building F are recommended. Also, development of permanent space for Academic Enrichment and Language Studies currently housed in Building F is recommended. This division would be moved to the third floor of Building F.

A new academic computer center is recommended to be located adjacent to the Learning Resources Center in Building F on the first floor where it was identified to be most desirable.

Provisions will be made to allow better indoor pedestrian access between buildings.

Providing additional storage space throughout campus for depart-

ment needs has been addressed.

Developing a permanent registration center is addressed by a permanent registration area to accommodate students more efficiently.

By taking the bookstore out of its current location and constructing new conference areas in Building A the need for additional conference areas will be addressed.

Providing office space for part-time faculty will be addressed by new construction of new classrooms and faculty offices.

It is recommended that the Administrative Services offices be reorganized to better utilize space. It is recommended that the Personnel Office be moved to the present registration area, the Business Office be expanded and Admissions and Registration relocated.

This proposal accommodates the needs of the academic programs of Harper College, Mr. Gilfillan stated, allows room for growth for the future, and accommodates the new programs and services which were not envisioned when the College was designed. It also allows expansion of the Learning Resources Center.

Mr. Gilfillan said the two components of the program are new construction and remodeling. New construction consists of the Liberal Arts faculty offices and classrooms, the performing arts facility and the bookstore. The bulk of new construction is classrooms and faculty offices, approximately 23,400 square feet. The performing arts facility and the art gallery comprise approximately 18,000 square feet. The bookstore contains approximately 10,000 square feet. This represents a total new construction of approximately 53,400 net square feet.

The remodeled spaces were presented by visual aids by Sandy Christensen of Legat Architects and include the following:

It is proposed that the lower levels of Building A currently housing drama, bookstore storage, Assessment and Testing and offices be turned over to Continuing Education for conference rooms. This affects approximately 5,800 square feet for renovation.

On the second floor of Building A, it is planned to relocate the Vice President's office to the third floor, relocate registration and expand the business office and cashier's office, and move Personnel into this area.

On the second floor of Building A, Continuing Education will be moved from Building C into the existing faculty dining area. Registration and the Registrar's office will be moved to the area

currently housing A-241 and A-242. The Faculty Dining Room will be moved to the west end of the building with closer access for the dumbwaiter for food service. Another conferencing center is also planned there which could utilize the dining room for lunches, etc. Financial Aid will also be moved to the second floor.

On the third floor of the administration wing, the Vice President for Administrative Services will occupy the space currently housing the Personnel Department. The William Rainey Harper room will also occupy this space. The Publications and Communication Services area will be used for additional general offices.

The area currently used by Financial Aid will be allocated for new programs or expansion of surrounding programs.

In Building C, a new student center is planned in place of Continuing Education. This will include Assessment and Testing.

Upgrading of the large conference room of Building E is planned. The two smaller conference rooms will be divided into three, or possibly four smaller meeting rooms for Continuing Education, conferences or small lecture classes on campus. The main entryway will be remodeled for use as a breakout room should the rooms be used as a conferencing center.

The first floor of Building F will be returned to the Learning Resources Center, and a satellite computer lab will be located there. Academic Enrichment and Language Studies will be moved to the third floor.

Building H lecture hall (Room 108) will be revamped to lessen the steepness of the grade.

Building U will have 1,500 square feet designated for bookstore storage. It will also house the Publications and Communications Center. An area of this building will be turned over to Physical Plant for machine woodworking.

Building V will be upgraded for classrooms, the Print Shop, and one greenhouse for the Horticulture Department and part of the building will be used for storage.

Mike Gilfillan presented by visual aids the locations of new construction, dependent upon soil tests and the location of utilities. Soil conditions will need further investigation.

Member Orzech asked what the old theater would be used for. Mr. Gilfillan stated that it was designed as a lecture hall and would be returned to that function. It would also be used by Student Activities when the performing arts center is being utilized for other activities.

President Thompson presented a financial plan which indicates that the College has \$6,000,000 in the fund balance from the sale of the second site. There were previously \$3,000,000 in authorized bonds for sale. There is a fund balance in the Operations/Maintenance Fund of \$2,000,000 that could be used. Also, the College has state funding credit in the amount of approximately \$5,000,000. The \$5,000,000 funding credit is subject to approval by the Illinois Community College Board and requires approval of the state legislature. Other opportunities for funding would be the Educational Foundation, plus other ways such as revenue bonds and alternative bonds. To receive consideration for state funding, the RAMP document must be submitted by August 1. The RAMP document must first be submitted to ICCB and ultimately to IBHE. The administration must present the plan in the RAMP document, and strategies with local legislators and the governor must be developed.

Member Orzech stated that it would be very helpful to visualize the spaces with a walk through of the affected areas. She also asked what the time frame would be for this program.

President Thompson responded that construction could possibly begin in the fall of 1990. By June of next year, the administration would know if state funding for the project is approved.

Member Orzech asked by what percentage revenue could be increased by expanding the bookstore. Mr. Manke responded that he believed an increase in sales of 5-10 per cent could be expected. He stated that the bookstore is very self-supportive and produces a very good return. Mr. Manke stated the bookstore could be capable of providing a self-supporting source of revenue to take care of principal and interest costs plus operating expenses.

Member Howard asked about the feasibility of obtaining state funding from the Capital Development Board. President Thompson replied that ICCB and IBHE lean toward classrooms and labs as top priority. He recommended packaging the request on that basis. Classroom and laboratory spaces in the performing arts center must be identified and part of that facility could get state funding if presented in that way. Renovation and remodeling could get funding. Member Howard suggested funding the areas in different ways. The bookstore could be self-funding, classrooms and lab space would hopefully get state funding, the performing arts center would be funded by private and local funds, and remodeling could be funded by the state.

Members Miller and Howard asked for clarification of the state credit funding. Mr. Manke explained the state credit funding. He stated that when the state agrees to fund a facility, it funds about 75 per cent. Local contributions fund approximately 25 per cent. Harper built some of its buildings at a time the state did

not have money. Harper funded the buildings and as a result, Harper got credit for the 75 per cent. That credit amounts to approximately \$5,000,000. Harper has a letter on file from the state acknowledging this amount owed to Harper College. If the new classroom facilities are approved for state funding, the \$5,000,000 credit could go toward Harper's 25 per cent. Mr. Manke stated that the \$5,000,000 credit is applicable only for new construction and possibly remodeling.

Mr. Manke stated that strategically, it would be beneficial to divide these projects for presentation to the ICCB and Capital Development Board. One package would be classrooms, offices and laboratories. The bookstore would be another project. The remodeling would be a separate project, and the theater another project. Classrooms and offices would receive the highest priority. Remodeling would be second. The theater would probably be third in line. The bookstore probably would not receive any consideration at all. If the College gets state funding for these three projects, that would leave the funding for the theater to local resources. By dividing the project into four separate projects, it has a much better chance for state funding consideration. Mr. Manke stated that he believed the project is workable and realistic.

Mr. Manke stated that if all this fails, there is still the possibility of various forms of bonding. The College could use the current principal to generate interest income to pay off the bonds. The principal would be invested over a long period of time and the interest generated would pay off the bonds over an approximate 20 year period. He stated that this worked at another institution quite well. The interest paid on municipal bonds could be approximately 2-3 per cent less than what can be realized from the money invested. This is called arbitraging.

Member Moats asked for clarification. Mr. Manke stated that using the \$6 million from the sale of the second site, the excess in the Maintenance Fund (\$2,000,000), sale of \$3,000,000 worth of authorized bonds, would realize \$11,000,000 to invest. At the present time, \$10,000,000 could possibly earn 9 1/2-10 per cent interest depending on market conditions. Municipal bonds are going for approximately 6 1/2-7 per cent. It is possible to get 2-3 per cent more on the money that is invested than the percentage being paid on the bonds. Over a 20-year period when the bonds are amortized, the interest that this principal earns will pay off some of the excess funds needed to build these facilities. This method will use up some of the principal. With a 2-3 per cent spread on a project of this size, it is possible to finance it over a 20-year period through the sale of bonds through a local municipality, using the arbitraging method.

Member Orzech asked if the state gave the College money, would the Capital Development Board oversee the project as well. Mr.

Manke replied affirmatively. Mr. Manke stated that if the College does not get funding this year, it must reserve the right to ask for funding in future years. The Capital Development Board does not need to participate in the building of the bookstore or the remodeling if these are not part of the project receiving reimbursement.

Member Howard asked what is the possibility of Harper getting money from the state. President Thompson stated that after looking at the IBHE budget analysis based upon this legislative session, approximately \$250,000,000 was approved this time. Member Howard asked that this be researched.

Member Miller asked if the figure of \$115 per square foot would apply to the performing arts facility, bookstore, etc. Mr. Gilfillan responded that the figure represents a blend based on averaging of costs for planning purposes.

Member Orzech asked if the Educational Foundation had been approached about its interest in this project. President Thompson responded he believed there was some interest in the art gallery or the performing arts center.

Mr. Gilfillan explained that included in the packet were notes and an analysis used in identifying the needs of the campus. Ms. Christensen stated that the report included all the requested space. These requests were then reworked to projects that were feasible to fund.

Member Miller asked if there was a summary of what the benefits of the programs would be. Ms. Christensen responded that they have a printout that could be made available. Member Moats asked for a written summary of the increased space allocations.

Member Howard asked whether the Board needed to approve the RAMP document explaining that this is what the Board intends to do, but not necessarily spelling out the source of the funding; that the Board would not be locked into anything but that this is the intent for planning purposes. President Thompson affirmed.

Member Orzech asked that the Board have a walk-through before the Board meeting on July 20. Member Moats stated that he was uncomfortable with the time line. He stated that he was uneasy about submitting a plan to Springfield without having adequate time to look over the project. Member Miller asked if this opportunity is not taken, would it mean that they must wait another year. President Thompson replied affirmatively.

Member Howard said that the Board still has complete control to go ahead or not go ahead depending upon funding. She stated the College could send the proposal to the state so that the ICCB can begin looking at the projects. President Thompson said that the

administration could ask ICCB if the College could send an amendment to the RAMP document if the Board is not comfortable with sending it at the July meeting. Member Howard stated that the Board has been aware for some time that additional space was needed. As long as the Board retains the right to make the decision on determining the financing, she would agree with going ahead with the proposal. Member Orzech agreed, and asked again for a walk-through.

In searching for a date for a tour of the affected areas, it was recommended that it take place on Thursday, July 13. Member Moats again expressed his discomfort with the time frame to make a decision on making a recommendation to the state. He stated that he had requested interim reports from the administration and he is reluctant to send a recommendation that has not been thoroughly reviewed by the Board.

Member Miller requested a recommendation as to precisely what could be done in terms of funding for each project. Mr. Manke stated that complications can occur with market fluctuations and sometimes the project may have to be postponed until the financial market changes. Mr. Manke stated that no commitment should be made until conditions are right.

Member Miller clarified that the Board has requested two documents: an enumerated list of the benefits and a financial plan for the project. Member Moats also said that he believed a legal opinion was needed regarding the sale of bonds. Mr. Manke stated that conversations with the law firm indicate that it could be done.

Member Howard stated that after the tour on Thursday night, the Board could meet to ask whatever questions they may have.

Member Miller thanked Mike Gilfillan and Sandy Christensen for their presentation.

Member Howard moved and Member Moats seconded to adjourn the Committee of the Whole meeting. Motion passed and the meeting was adjourned at 9:00 p.m.

Member Howard moved and Member Miller seconded that the Board adjourn to Executive Session to discuss collective bargaining negotiations. Motion carried and the Board adjourned to Executive Session.