



**Haywood Community College
Board of Trustees
Special Called Meeting
Minutes
October 7, 2010**

The Haywood Community College Board of Trustees held a special called meeting on Thursday, October 7, 2010 at 7:00 a.m. in the Board Room of the Administration Building. The following persons were present:

TRUSTEES

Mark Bumgarner, Chair
Lynne Barrett
Charles Boyd
Donna Forga
Richard Lanning
Mike McConnell
Dean McMahan
Bob Morris
Steve Sorrells

STAFF

Chad Bledsoe
Karen Denney
Teresa Starrs
Debbie Trull

VISITORS

Pat Smathers
Mike Nicklas, Architect
Steve Levitas, Attorney
Monroe Miller

Rose Johnson, President

Chair Bumgarner called the meeting to order and determined that a quorum was present. He read the Ethics Statement, which is to be read at the beginning of all Board of Trustees meetings. A copy of the statement is included in today's packet. Chair Bumgarner provided the invocation. He requested that the visitors introduce themselves, which they did at this time. He welcomed them to the meeting.

General Overview

Dr. Johnson provided a general overview. She introduced Steve Levitas and Mike Nicklas. Requested that guest introduce himself. Monroe Miller did so at this time. Dr. Johnson stated that work has progressed on the County –College agreements and she feels comfortable that the Board will have all of the needed information to approve today. She also stated that she has been asked to present at the 10/18 Commissioners meeting for formal motion of general contract. She informed the County that the Trustees had already approved the general contractor, but the Board of County Commissioners needs to also do an approval to comply with its formal process. Peggy wanted to know if this is standard. Dr. Johnson replied that she was informed that this is the standard construction process with public schools and the College has been asked to comply with that process. Dr. Johnson informed the Trustees that the Finance Committee of the NCCCS State Board has a few more questions and it will be at BRCC on October 14th. Neal will be attending to answer those questions.

Today's meeting is tightly scheduled and for that reason, the solar documents were made available to Trustees to provide sufficient time for review. Dr. Johnson will call Derek Wenzel by phone when we get to the County agreements. Michael shore is also on standby if he needs to be called.

Closed Session [G.S.§143-318.11(a)(1)]– Energy Use/Cost Comparisons for Solar and Solar Lease Negotiations

Chair Bumgarner stated that he would entertain a motion to go include closed session. **Ms. Forga made a motion to go into closed session.** Mr. Morris requested some clarification as to why the Board was going into closed session for the energy use and cost comparison. Chair Bumgarner stated that the comparisons have factors that are included in the document and that these factors are confidential. Mr. Sorrells stated that Mr. Monroe asked about the basic engineering of the solar and why that can't be public. Mr. Nicklas stated that the College solicited proposals from companies and the information could change and did change. The basic schematics have been in the plans for a long time, but with the ability to vary in some ways with the solar or without the solar. Mr. Sorrells wanted to know what information that will be discussed can't be made public. Mr. Nicklas responded that the REC values cannot be public. Ms. Forga stated that she feels this information is part of packet that is confidential and was included at the request of Trustees. Chair Bumgarner stated that Trustees are still in negotiations for a contract and Trustees can't make a decision without this information. If this information is made public, Trustees would be disclosing information that is privy to their organization. Mr. Sorrells stated that a lot of this is engineering calculations. If the REC's are the only thing that is confidential, why can't they be pulled out and the rest made public? Mr. Nicklas responded that FLS has given Trustees a proposal and included in the proposal is an amount they had projected based on their original proposal of how much they would collect and the lease cost and the REC value they have worked out with the utilities. Mr. Sorrells wanted to know if the REC values could be pulled out of formula. Dr. Johnson stated that she would like to note that according to state statute, these items can be discussed in closed session and that she suggests asking Mr. Smathers who will be here soon to give guidance about what can be made public. It is the desire of the College to provide public information when appropriate. Mr. Sorrells stated that he feels that at some time these should be make public. **Dr. Barrett seconded the motion to go into closed session.** Mr. Sorrells stated that he agrees to go into closed session but in the future Trustees should make public as much as possible. Mr. Nicklas responded that once the contract is approved everything will be public. **The motion was unanimously approved.** Chair Bumgarner requested that the administrative staff remain since they have been involved in negotiations.

County/College Creative Arts Building Agreements

Dr. Johnson requested that everyone review the agreements that are included in today's packet, the County/College Agency Agreement and Lease Agreement. She informed Trustees that some additional changes had been agreed to late yesterday after the Board packets had been completed. Dr. Johnson referenced electronic page 4, which is numbered as page 1 of the agency agreement. At the last Board meeting, Trustees had an issue with the wording on the fourth "Whereas" clause and that has been resolved with the current wording.

Mr. Morris suggested not naming FLS as the solar developer within the fifth “Whereas” clause because the Board does not yet have a contract with FLS. Dr. Johnson suggested that the wording be changed to FLS or another solar developer. Mr. Morris suggested using, “a solar developer” if possible.

Dr. Johnson brought everyone’s attention to electronic page 11 of the packet which is page 2 of the draft lease agreement. On the copy presented to the Board, her comment to a clause in the second whereas is reflected. That clause, [and the County will enter into all construction contracts related to the Community College Projects]; and [can the College not list this as “construction in progress” if contracts in County name?], has now been removed.

Dr. Johnson brought to the attention of the Trustees one other section that is still being reviewed and requested that the Board give her authority to finalize the wording as needed prior to the loan closing. On page 21 of the packet and page 12 of the lease agreement, Dr. Johnson has requested on behalf of the NCCCS that 13.12 be changed to reflect that the County can only transfer the property to the College.

At this time, Dr. Johnson tried to get Derek Wenzel, Attorney, on the phone but was unsuccessful. Mr. Bumgarner suggested in the interest of time that Dr. Johnson finish presenting the documents.

She informed Trustees that these are the same documents that were presented at the August 30th meeting with the changes requested by the Board now in place.

The County has requested that these documents be brought forward for Board approval in order to be included in the loan package for October 15th. Dr. Johnson stated that she is requesting that she and the attorneys continue to work on language of the lease in the two areas she mentioned and any other minor changes that might arise and that the Board give its approval so that the Board Chair can sign the required signature pages. These documents can then become part of loan package for October 15th. Ms. Melville wanted to clarify that both Pat Smathers and Derek Wenzel had reviewed the documents. Mr. Smathers confirmed that he has reviewed them and feels comfortable with the Board approving. **Mr. Morris made a motion to remove FLS as a name entity and replace with a solar developer. Ms. Forga seconded the motion. The Board unanimously approved the motion. Ms. Forga made a motion that the Board of Trustees hereby by this resolution accepts the form of the documents (agency agreement and lease) between Haywood County and Haywood Community College and the changes therein made since the August 30, 2010 Board meeting and understanding that these documents are to be entered into in connection with Haywood County’s installment financing of the capital costs of the Creative Arts Building and renovation of the General Education Building and waterline upgrade. Mr. McMahan seconded the motion. Mr. Sorrells wanted to know if this agreement requires the Trustees to enter into a solar agreement with anyone. Dr. Johnson responded no. Mr. Morris wanted to clarify that the motion addressed the two changes the Board requested. Dr. Johnson wanted to clarify that she could continue making other changes needed as long as they did not change the intent of the documents. Ms. Forga amended the motion to include the two changes presented today and minor changes that Dr. Johnson may need to make prior to closing. Mr. McMahan seconded the amendment. The Board unanimously approved the motion.**

Mr. McMahon made a motion to adjourn. Mr. Boyd seconded the motion and it was unanimously approved

Respectfully submitted,

Teresa Starrs, Secretary
Board of Trustees