



Coast Community College District Enterprise, Inc.

BOARD OF DIRECTORS REGULAR MEETING

January 12, 2016 at 12 noon

BOARD OFFICE CONFERENCE ROOM

1370 Adams Ave., Costa Mesa, CA 92626

MINUTES

I. Call to Order

The meeting was called to order at 12:00 noon

II. Roll Call

Present:

Mr. David Cline, Mr. Jim McIlwain, Ms. Jane Hilgendorf, Mr. Raymond Roberts and Student Trustee Quentin Cronk.

Absent:

Mr. Richard M. Kapko and Interim Chancellor Gene Farrell

In Attendance:

Trustee Mary Hornbuckle, Dr. Jack Lipton, Ms. Rachel Snell, Dr. Andy Dunn, Ms. Janet Houlihan, Mr. Jerry Marchbank, Ms. Daniela Thompson, Ms. Julie Clevenger, Ms. Tina Henton, and Ms. Julie Frazier-Mathews. Dr. Rich Pagel joined the meeting via teleconference.

(Dr. Dunn attended the meeting on behalf of Interim Chancellor Farrell, however, it was noted that he would not have voting rights. It was also discussed that the by-laws may need to be reviewed regarding this.)

III. Opportunity for Public Comment

There were no requests to address the Enterprise Board.

IV. Approval of Minutes from Meeting of October 13, 2015

On a motion by Ms. Hilgendorf, seconded by Mr. Roberts, the Board of Directors voted 5-0-2 to approve the minutes of the October 13, 2015 Meeting.

Members Voting Yes:	Mr. Cline, Mr. McIlwain, Ms. Hilgendorf, Mr. Roberts and Mr. Cronk
Members Voting No:	None
Members Absent:	Mr. Kapko and Mr. Farrell

V. Report on the Annual Shareholders Meeting

- a. Enterprise Board of Directors Terms of Office/Reappointments**
- b. Election of Chairman and Vice Chairman of the Enterprise, Inc.**

Ms. Houlihan reported that a Shareholders Meeting had been held earlier in the day with the Shareholders of the Enterprise and that a brief operational/audit/financial update was provided. The Shareholders reappointed Mr. McIlwain and Mr. Kapko to serve as Directors, retroactively from September 30, 2015 until September 30, 2017.

Members Voting Yes:	Mr. Cline, Mr. McIlwain, Ms. Hilgendorf, Mr. Roberts and Mr. Cronk
Members Voting No:	None
Members Absent:	Mr. Kapko and Mr. Farrell

On a motion by Ms. Hilgendorf, seconded by Mr. McIlwain, the Board of Directors voted 5-0-2 to appoint Mr. Cline to serve as Chairman of the Enterprise, Inc.

Members Voting Yes:	Mr. Cline, Mr. McIlwain, Ms. Hilgendorf, Mr. Roberts and Mr. Cronk
Members Voting No:	None
Members Absent:	Mr. Kapko and Mr. Farrell

On a motion by Ms. Hilgendorf, seconded by Mr. Roberts, the Board of Directors voted 5-0-2 to appoint Mr. McIlwain to serve as Vice Chairman of the Enterprise, Inc.

Members Voting Yes:	Mr. Cline, Mr. McIlwain, Ms. Hilgendorf, Mr. Roberts and Mr. Cronk
Members Voting No:	None
Members Absent:	Mr. Kapko and Mr. Farrell

VI. Audit Report 2014-2015 (Vicenti, Lloyd and Stutzman, LLP)

Ms. Tina Henton of Vicenti, Lloyd and Stutzman provided an update on the 2014-2015 audit report, indicating that the report was very clean with no findings and no management letters being issued. Ms. Henton reported that she would return to the April 2016 meeting to present the final report for the Board of Directors' review and approval.

VII. Update on Swap Meet Operations

- a. Orange Coast College: Mr. Jerry Marchbank introduced Ms. Julie Clevenger, Director of College and Community Support, who reported that Swap Meet Manager, Mike Canet, had retired and currently a team of classified staff was covering his duties. His job position was currently going through the hiring process and should be filled by mid-March. Julie indicated she was working on a vendor informational booklet and an employee handbook.
- b. Golden West College: Ms. Janet Houlihan reported that operations were moving along well. The increase in vendor space fees was still on the back burner because of the need to keep the vendors happy during the construction at both Golden West and Orange Coast Colleges.

VIII. Report and Ratification of Staff Board Deliverables per Master Agreement Requirements Sections 8, 10, 11, 13, 20, 22 and 28

Ms. Daniela Thompson provided a brief overview of the deliverables per the Master Agreement requirements. On a motion by Mr. Roberts, seconded by Mr. McIlwain, the Board of Directors voted 5-0-2 to ratify the financial statements and authorized staff to forward a summary report for

the 1st and 2nd quarters that was representative of the approved financial statements to the Coast Community College Board of Trustees on the February 3, 2016 agenda.

Members Voting Yes: Mr. Cline, Mr. McIlwain, Ms. Hilgendorf, Mr. Roberts and Mr. Cronk
Members Voting No: None
Members Absent: Mr. Kapko and Mr. Farrell

IX. Reports

a. Financial Report

Ms. Thompson gave a brief overview of the 1st Quarter Financial Statements, reporting that 1st Quarter income was slightly below prior year's, however, through September 30, 2015 income was 23.3% higher than current budgeted income. Expenses were trending in the right direction, 8.67% lower than last year and 3.12% lower than current budget. The net profit as of September 30, 2015 was \$440,188, with a cash balance of \$1,687,420.

b. Construction Update

Mr. Marchbank reported that a carport was being constructed in the Adams lot that would cover approximately 6 rows of parking, two of which were vendor spaces. The project was about 60% complete. He indicated that infrastructure improvements would be ongoing during spring and they would continue to work with swap meet vendors. Also, in November the CEQA document had been approved by the Board allowing them to proceed with the rest of our Measure M Vision 2020 Plan to include the new PE development, possible student housing, and new recycling center, and conversations were beginning as to how they would logistically handle this construction while minimizing disruption to the swap meet.

Ms. Houlihan reported that the GWC Public Safety project was wrapping up and the building would be open at the end of this month/beginning of February, incorporating the Community Education, swap meet offices and restrooms for the swap meet. She indicated that other projects currently impacting the swap meet were the upcoming math/science project as well as signage around parking lots and a security project installing phones and lighting into the parking lots. Additionally, the demolition of the old library was impacting way finding, and the construction team was working on signage to help alleviate problems. Ms. Houlihan also reported they were working closely with the DSPS office to minimize impact to those students.

X. Discussion of the Successor Master Agreement with Coast Community College District

Ms. Houlihan reported that she and Dr. Pagel had met with Chancellor Farrell in the fall to discuss the Master Agreement, and some small adjustments had been discussed, e.g. extension of the term of the Chair to 2 years, and then the agreement could be extended out for 5 years. Dr. Pagel suggested they work with Dr. Dunn and Chancellor Farrell to prepare for a 5 year extension, and Ms. Houlihan indicated they could bring a redlined version to the April meeting for consideration. Mr. Cline gave a directive that staff should meet to discuss any proposed adjustments, including any recommendations from Dr. Lipton, and have this ready for review at the next meeting of the Board of Directors. Ms. Houlihan indicated she would work with Ms. Frazier-Mathews to schedule this.

XI. Recess to Closed Session

The Board of Directors recessed to Closed Session at 1:35 p.m. to discuss the following:

a. Conference with Legal Counsel: Anticipated Litigation

(Significant exposure to litigation pursuant to *Government Code* Section 54956.9(d)(2)
One case involving an injury at Orange Coast College Swap Meet

XII. Reconvene to Open Session

The meeting was reconvened at 1:45 p.m.

XIII. Report of Action from Closed Session

There was no report of action from Closed Session.

XIV. Future Agenda Items

Bylaws

Approval of Audit Report

a. Future Meeting Dates:

April 19, 2016,

July 12, 2016

October 11, 2016

January 10, 2017

XV. Adjourn

On a motion by Ms. Hilgendorf, seconded by Mr. Cline, the Board of Directors voted 5-0-2 to adjourn the meeting at 1:57 p.m.

Members Voting Yes:

Mr. Cline, Mr. McIlwain, Ms. Hilgendorf, Mr. Roberts and Mr. Cronk

Members Voting No:

None

Members Absent:

Mr. Kapko and Mr. Farrell


Secretary of the Enterprise