

**MINUTES OF REGULAR MEETING  
SAN JUAN COLLEGE BOARD  
October 2, 2018**

**ITEM A.     CALL TO ORDER**

Mr. John Thompson called the meeting to order at 7:03 p.m. The following members were present:

R. Shane Chance, Member  
Evelyn B. Benny, Member  
Dr. Joseph Pope, Vice Chairman  
Hoskie Benally, Jr., Member  
Joseph Rasor, Member  
Byron Manning, Secretary

**ITEM B.     WELCOME OF GUESTS AND VISITORS**

San Juan College administrators and staff in attendance were: Dr. Toni Pendergrass, Boomer Appleman, John Boggs, Michael Burke, Alicia Corbell, Gayle Dean, Ed DesPlas, Adrienne Forgette, Sandy Gilpin, Chris Harrelson, Ron Jernigan, Kerri Langoni, Bill Lewis, Michael Ottinger, Brad Purdy, Rhonda Schaefer, Vinny Zicoello, Melody Conrad, Amanda Robles, Elizabeth Phelps, Rachael Dworsky, Paulette Stanley, Kenny Hibner, Karen Acree, Lance Myler, Qinqin Schoser, Randall Keeswood, Jill Bishop, Josh Bishop, Janet Peterson, Annie Willmon, David Liebel, Jenniffer Valora, Laura Liebel, and Greg Reynolds.

Guests: Fernando Maqueda-Trejo, Tsaa Henderson, Jana Wallace, and Evan Kist.

Dr. Michael Burke, Interim Dean of Health Sciences, was introduced.

Mr. Ed DesPlas shared the Energy Project –Large Award presented to San Juan College by the New Mexico Association of Energy Engineers.

**ITEM C.     ADOPTION OF AGENDA**

Mr. Chance and Ms. Benny seconded the motion to adopt the agenda. **MOTION CARRIED** by a unanimous voice vote.

**ITEM D.     REPORTS**

**1.   Monthly Presentation**

Ms. Annie Willmon and Ms. Eddi Porter reported on San Juan College Leadership Academy and Management Institute (LAMI) Program.

## 2. Association Reports

Professional Staff Association (PSA) Dr. Janet Peterson reported the PSA met on September 12, 2018. The By-laws Task Force reported the by-laws will need extensive revision. This is due to a couple of factors: 1) the PSA has evolved since its inception and 2) changes in College procedures need to be reflected in the document. The PSA provided funds for Karen Kramer to attend professional development. She reported she was able to utilize her learning in the recertification process the Tutoring Center has undergone. At the PSA monthly meeting a concern was raised about how budget dollars are allocated to departments. Dr. Peterson has since met with Mr. DesPlas on this topic.

Support Staff Association (SSA) Ms. Melody Conrad shared that at the September 18, 2018 meeting Dr. Ottinger presented on Robert's Rules of Order. The Association found the topic very enlightening. The information also indicated that the SSA will need to update their by-laws. The SSA has updated the plaque presented for the Employee of the Month Award. The Professional Development Conference Committee has been working on the next event. They are aligning it with SJC strategic directions and values. The Lunch and Learn was a webinar entitled Positioning One's Self for the Future.

Student Association (SA) Mr. Fernando Maqueda-Trejo shared there were 496 attendees at Family Game Night. Sixty individuals volunteered. Everyone is welcome to attend the next Senate meeting on October 8 from 3-5 p.m. The Pow Wow was a great event, with seven clubs participating. The SA has contributed \$1000 in water and candy for the Shiprock Parade. They will also be in the parade. Currently the SA has 25 clubs. On October 22 there will be blood drive. Three hundred people attended the last movie. The Halloween Carnival is scheduled for October 27 at the HHPC. Work is beginning on Luminarias. There will be 25,000 bags this year.

Faculty Association (FA) Ms. Elizabeth Phelps reported there are some faculty concerns about eight week courses. The concerns are three-fold: 1) the shortened courses are being implemented too quickly without time to plan and put tools and supports in place for students, 2) pedagogy concerns, and 3) faculty are being forced to teach eight week courses. Administration acknowledged faculty concerns and agreed to slow the process down. Faculty can also choose if they want to teach an eight week course. A survey on this topic is being developed for the faculty to complete. A Campus Conversation is also to be scheduled.

### **ITEM E. CITIZEN COMMENT**

None.

**ITEM F. CONSENT AGENDA**

**1. Approval of Minutes of Regular Board Meeting on September 4, 2018**

The September 4, 2018 minutes were presented in the Board packet for approval.

**2. Correspondence**

Dr. Pendergrass received a note from the Lands expressing appreciation for the San Juan College Symphonic band's performance at the Beaver Ambassador rally in Farmington.

**3. Financials**

Financial reports for the month ended August 31, 2018 are presented in the Board packet.

**4. Personnel Report**

The following appointments were made since the last Board meeting: None

Changes: David Liebel, from Math Tutoring Coordinator, Tutoring Center to Director, Tutoring Center, effective September 17, 2018.

Separations: Marcella Suneson, PT Bookstore Cashier, Bookstore, separation of employment, effective August 31, 2018; Migan Inez, Assistant Professor, Physical Therapy Assistant Program, separation of employment, effective September 9, 2018; Gail Dunnam, Academic Scheduler, Office for Learning, separation of employment, effective September 14, 2018.

**5. Information Report – Catering Activities Through College Food Service**

The report of catering activities by A'viands, LLC for the month of August 2018 is included in the board packet.

**Recommendation**

I recommend the Board accept this information report.

**6. Approval for Fiscal Year 2018-2019 Insurance Premiums**

San Juan College obtains an array of property, liability, unemployment, and workers compensation coverages through the New Mexico Risk Management Department. The College has received notices of renewal premiums due for the period July 1, 2018 – June 30, 2019. Coverages and related premiums are reflected below. College Administration recommends that the following coverages be renewed:

| Coverage:                        | FY18 Premium | FY19 Premium |
|----------------------------------|--------------|--------------|
| General Liability                | \$14,610.84  | \$13,672.33  |
| Medical Malpractice              | 5,578.48     | 6,542.67     |
| Aviation Aircraft – Drone        | 6,106.58     | T.B.D.*      |
| Civil Rights                     | 78,785.09    | 88,553.15    |
| Law Enforcement                  | 4,600.37     | 4,455.35     |
| Automobile Liability             | 3,086.12     | 6,106.58     |
| Automobile Physical Damage       | 6,828.21     | 7,106.48     |
| Blanket Property                 | 431,561.83   | 380,143.36   |
| Fine Arts                        | 215.18       | 197.55       |
| Boiler                           | 2,092.14     | 3,403.92     |
| Storage Tank Liability           | 525.00       | 683.00       |
| Accidental Death & Dismemberment | 16,860.96    | 16,978.07    |
| Workers Compensation             | 107,467.69   | 129,011.62   |
| State Unemployment               | 28,035.54    | 60,297.79    |
| CyberSecurity                    | 23,991.46    | 35,317.67    |

Total premiums, excluding drone coverage, for fiscal year 2019 are 752,649.54. These premiums are an increase of \$22,304.05 over the total premiums of \$730,345.49 for fiscal year 2018. The premium for drone coverage was not known at the date of preparation of this material; the renewal premium is not expected to exceed \$10,000.

### **Recommendation**

I recommend the Board approve the College Administration’s recommendation that the aforementioned insurance coverage for fiscal year 2019 be renewed and that payment of the associated premiums be authorized.

### **7. Exception to Board Policy 500 - Nepotism**

Board of Trustees Policy #500, prohibits employment of individuals from the same immediate family to be in a supervisory/subordinate relationship, or below the same lines of authority. College Administration is recommending an exception be granted for the Chris Opperman, candidate for full time Fire Science Instructor.

Well-qualified individuals for positions in the Fire Science program are not readily available in the Farmington area. Upon conclusion of an open search and competitive selection process, Mr. Opperman has been determined to be the best qualified candidate for the position of Fire Science Instructor. Mr. Opperman is the son-in-law of Ms. Judy Hale, the Trades and Technology School Operations Coordinator for the School of Trades and Technology. Ms. Hale has no supervisory responsibilities for faculty. If hired, Mr. Opperman would report to the Fire Science Program Coordinator and the Dean of the School of Trades and Technology. With respect to internal controls, pay requests and other transactions that may be processed by Ms. Hale as part of her duties are required to be approved by the Program Coordinator and the Trades and Technology Dean.

## **Recommendation**

I recommend that this exception to Board of Trustees Policy #500 be granted.

## **APPROVAL**

Dr. Pope moved and Mr. Chance seconded the motion to take the recommended actions as presented on the Consent Agenda. **MOTION CARRIED** by unanimous voice vote.

## **ITEM G. OLD BUSINESS**

### **1. Second Reading and Consideration of Revision to Policy 500, Section V – Nepotism Policy**

The first reading of this proposed policy revision was accomplished at the September 4, 2018 meeting of the San Juan College Board of Trustees. As presented on September 4, the College has recently encountered numerous circumstances in which its need for talent is outstripping the constraints of the local and regional talent pool. In many instances, the College's current nepotism policy presents an obstacle in recruiting and hiring qualified adjunct faculty or temporary employees. To alleviate this difficulty, College Administration has crafted a revised nepotism policy as follows:

Board Policy #500 Human Resources

V. Family Members - Nepotism Policy

#### Regular Employees:

Two or more members of the same immediate family may not be employed as regular employees by the College in a supervisory/subordinate relationship or below the same lines of authority.

#### Temporary Employees and Adjunct Faculty:

Temporary employees and adjunct faculty of the same immediate family may be employed under the same lines of authority, but may not be employed in a supervisory/subordinate relationship.

~~Employment of persons of the same family relationships, inclusive of significant others, will not be encouraged within College departments or divisions even if the employment relationship is not of the supervisory/subordinate nature.~~ The Board may approve exceptions to this policy in special circumstances. For purposes of this section, a member of the immediate family shall include the following relationships: spouse, significant other, parent, child, brother, sister, aunt, uncle, father- or mother-in-law, or brother- or sister-in-law.

This is the “second reading” of the revised policy; the revision is presented for Board approval in this meeting.

Dr. Pope moved and Mr. Chance seconded the motion to approve and adopt this policy revision, to be effective October 3, 2018. **MOTION CARRIED** by unanimous voice vote.

**ITEM H. INDIVIDUAL ITEMS/NEW BUSINESS**

**1. 2019 BENEFITS FOR PARTICIPANTS IN SAN JUAN COLLEGE RETIREE HEALTHCARE TRUST**

As discussed in the San Juan College Board of Trustees work session held on September 4, 2018, the College’s current carrier for Post-65 (years of age) Medicare-eligible retirees covered by the San Juan College Retiree Healthcare Trust is Cigna. Cigna has been unable to procure approval to provide calendar year 2019 group healthcare insurance from the State of New Mexico’s Office of the Superintendent of Insurance. As a result, the College engaged in a competitive bid process to solicit bids from carriers with a coverage solution for its Post-65 retirees. Humana was selected as the carrier to provide health insurance coverage solutions for the College’s Post-65 retirees.

Estimated total cost to the San Juan College Retiree Healthcare Trust for the 2019 calendar year Post-65 retiree medical coverages described above will not exceed \$222,043.

Mr. Chance moved and Mr. Manning seconded the motion to approve Humana as San Juan College’s carrier for health insurance benefits to Post-65 participants in the College’s Retiree Healthcare Trust for calendar year 2019 as herein described. **MOTION CARRIED** by unanimous voice vote.

**2. RESOLUTION TO NEGOTIATE INTERGOVERNMENTAL SALE OR SWAP OF LAND PARCELS**

*Whereas* The San Juan College Board of Trustees (the Board) supports economic development in San Juan County,  
*Whereas* the Board seeks to protect the total taxable assessed values of property within San Juan County,  
*Whereas* the Board has particular concern for the future value of total taxable assessed property within the western portion of San Juan County and the town of Kirtland,  
*Whereas* the County Commission of San Juan County, New Mexico has expressed a need for parcels of land totaling approximately 12 acres located at the site of San Juan College West Campus to assist in its economic development plan and its efforts to protect the total taxable assessed property values in that region of the county,  
*Whereas* the disposition of the 12 acres of land located at the site of San Juan College West Campus will not harm San Juan College’s educational mission or programs or adversely impact its operation of the West Campus.

**Be it therefore RESOLVED that:**

The San Juan College Board of Trustees hereby authorize the College's President and Executive Vice President, or their designee, to negotiate the terms of a possible transfer to San Juan County through sale or swap, of specific parcels of land totaling approximately 12 acres of the real property located at the site of San Juan College's West Campus in Kirtland, New Mexico (the "Property"). Any offer, agreement, or contract to sell or swap the Property, shall be made expressly contingent on final approval of the sale or swap of the Property by the San Juan College Board of Trustees at the earliest subsequent College Board meeting as practical; approval by the New Mexico Board of Finance as required, approval by the New Mexico Higher Education Department as required, approval by any other governmental authorities as required; and compliance with all applicable state and federal laws governing the disposition of the real property owned by a state entity.

Approved: October 2, 2018

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John Thompson, Board Chairperson

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Dr. Joseph Pope, Board Vice Chairperson

Dr. Pope moved and Mr. Chance seconded the motion to approve and adopt this resolution. **MOTION CARRIED** by unanimous voice vote.

**3. AUTHORIZATION TO ENGAGE COLLEGE HOUSING FOUNDATION AS 501(c)(3) PROJECT OWNER FOR STUDENT HOUSING**

At the July 10, 2018 Board of Trustees meeting, the selection of Balfour Beatty Campus Solutions, LLC (Balfour Beatty) as the firm for a public-private partnership (P3) to develop student housing at San Juan College was approved. The Board authorized the College's President and Executive Vice President to negotiate, and present to the Board, the array of contracts necessary to execute the various stages of the public-private partnership. Accordingly, at the August 7, 2018 Board of Trustees meeting, the Board authorized the President and Executive Vice President to finalize a Pre-Development Agreement with Balfour Beatty pursuant to the terms outlined and shared with the Board in the work session on August 7, 2018 and authorized the President to execute the resulting pre-development agreement.

The next stage in establishing the College's P3 student housing initiative is the engagement of a 501(c)(3) project owner. Under a long-standing provision in federal law, tax-exempt financing is available for P3 projects through a 501(c)(3) project owner, which enters into a tri-party partnership through a long-term ground lease with its college partner, and separate development and

operating agreements with a private sector partner (in this case, Balfour Beatty) that provides student housing development, including design and construction, as well as management expertise and services.

Assisted by Balfour Beatty and the Scion Group, the College examined the profiles of three 501(c)(3) organizations that specialize in P3 projects. Two of these organizations were interviewed via telephone conferences. One of the two organizations interviewed, Collegiate Housing Foundation (CHF), has been selected based on its experience with higher education student housing, its history of successful ventures with Balfour Beatty, its capacity to serve San Juan College's project, and its having the lowest fee structure of the three organizations reviewed.

The basic terms of the engagement shall provide for the following:

- Subject to New Mexico Board of Finance and NM Higher Education Department approvals, the College will enter into a ground lease with the 501(c)(3) entity for the site on which the housing will be built.
- The ground lease will not terminate until CHF has repaid the project financing.
- Upon repayment of financing, title to the housing will be turned over to the College.
- CHF will finance the project via investment grade bonds.
- Terms of financing, development, construction and management of the project will require the approval of the College.
- Eligible residents of housing facility are limited to SJC students, SJC faculty or staff, persons who are attending a program presented and conducted by the College, and subject to restrictions, students of other educational institutions.
- Surplus revenues from the project will be paid to the College or applied to the payment of debt service.
- Final terms of the financing structure will be provided for in the ground lease.
- The housing site must be free of any environmental concerns.
- Payment of CHF's fees to include:
  - 25bps of the bonds, capped at \$100,000 paid at financial close.
  - Up-front fee of \$57,500 paid at financial close.
  - Ongoing annual fee of 1.5% of revenue, capped at \$250,000
    - Estimate of annual fee is \$41,550
  - Annual escalation of 3%, not to exceed \$250,000
  - CHF's ongoing fees will be paid from project housing operations revenue.
- If the College does not proceed with the project or the project financing does not close, while the College will have no obligation to pay any of the aforementioned fees to CHF, it will be required to pay or reimburse CHF for all reasonable legal fees and other out-of-pocket expenses incurred by CHF in connection with the project.



Dr. Pope moved and Ms. Benny seconded the motion to authorize the President and Executive Vice President to finalize the engagement letter with College Housing Foundation pursuant to the terms outlined and shared with the Board herein as well as in the work session on October 2, 2018 and authorize the President to accept and agree to the terms of engagement. **MOTION CARRIED** by unanimous voice vote.

**4. APPROVAL OF RESOLUTION AUTHORIZING SALE OF GENERAL OBLIGATION LIMITED TAX BONDS; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS**

As discussed in the Board Work Session on October 2, 2018, San Juan College has previously issued \$5,000,000 of the \$10,000,000 bonds authorized on February 3, 2015. The College now makes ready to accomplish the next phase of capital improvements that will result in erecting, furnishing, constructing, purchasing, remodeling and/or equipping buildings and/or utilities facilities. To accomplish these improvements, the Board will need to authorize issuance of approximately \$5,000,000 of general obligation bonds.

Mr. Chance moved and Mr. Manning seconded the motion to approve the Resolution Authorizing Sale of \$5,000,000 General Obligation Limited Tax Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; and Authorizing Other Matters Related to the Issuance of the Bonds. **MOTION CARRIED** by unanimous voice vote.

**ITEM H. ANNOUNCEMENT OF NEXT MEETING**

The next regular meeting will be held on **Tuesday, November 6, 2018 at 7:00 p.m.** in the San Juan College Board Room.

**ITEM I. CLOSED SESSION**

**ITEM J. ADJOURNMENT**

Mr. Chance moved and Ms. Benny seconded the motion to adjourn. Mr. Thompson adjourned the meeting at 8:10 p.m.

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Mr. John Thompson, Chairman  
San Juan College Board

ATTEST:

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Dr. Joseph Pope, Vice Chairman  
San Juan College Board

Date: November 6, 2018