I. Approve September 7, 2011 Agenda:

Motion (Lou McDermott), second (Chris Guptill) to approve the agenda.
The motion passed unanimously

II. Approve July 20, 2011 Meeting Minutes:

Motion (Jeff Lehfeldt), second (Thom Watkins) to approve the minutes.
The motion passed unanimously.
III. 2011-12 Adoption Budget

VP Ligioso presented and discussed the 2011-12 Adoption Budgets, which he presented to the Governing Board on September 7. The adoption budget and Power Point presentation are available online at: http://www.solano.edu/administration/budget.html. Select “2011-12” year, then the desired file.

VP Ligioso spoke in detail to two slides of his Power Point. The first, “Review of 06/30/11 Ending Balance,” highlighted the fund balance which is estimated to be $5,788,325. He discussed fund balance composition comprised of the 5% minimum requirement, a small balance set aside for staff/professional development and strategic initiatives, and the notion of a stability fund for the remainder. Plans for use of the stability fund in 2011-2012 and 2012-2013 were identified as follows: (1) offset the operating 2011-12 deficit of $1,463,000 and delay permanent reductions with one-time stability funds; and, (2) set aside $1.7 million in stability funds for 2012-2013 in anticipation of cost increases and further state reductions.

The second slide, “3-Year Perspective,” provided an overview of revenues and expenditures through 2014 and showed that if nothing is done, Solano College would be bankrupt by 2014 with a $1.5 million negative reserve.

Sobering conversations ensued regarding the District’s future and the lack of revenue streams. The take-away message was: We need to focus on extreme changes and what it will take to avoid a structural deficit now and bankruptcy in three years.

The glimmers of hope are
  • the benefits audit may save the District $89,000,
  • the prospect of a 2012 bond, and
  • the anticipated income from outsourcing the bookstore.

VP Ligioso requested a motion to support a stability fund.
Motion (Lou McDermott), second (Sheryl Scott) to support the concept of having a stability fund.
The motion passed unanimously.
IV. Results of Bookstore RFPs

The Bookstore RFP, worked out in collaboration with CSEA and bookstore staff, was published and sent out to fifteen potential vendors, with two firms – Follett and Barnes & Noble – eventually tendering proposals. The proposals contained and addressed all items listed in the RFP and after a thorough review and vetting process, Bookstore staff, CSEA, and VP Ligioso recommended to the Board that the District enter into an agreement with Barnes & Noble to provide bookstore services.

The proposal provides for reimbursement of existing bookstore staff salaries and benefits, and financial re-numeration to the college as follows: a minimum income guarantee of $350,000 per year, plus a percentage of net sales; a $200,000 sign-on bonus; $25,000 toward facilities upgrades; $50,000 for a new point of sale system; and $15,000 in scholarships for ASSC.

V. Bond Process Update

- RFPs were emailed to prospective Investment Banker/Underwriter and Public Opinion Research firms in June, and seven firms were interviewed over two days, July 19 and 22. The District has entered into contract with two underwriters, RBC Capital Markets and Piper Jaffray, and polling firm, Fairbank, Maslin, Maullin, Metz & Associates.
- RFPs were emailed to prospective Campaign Consultant and Bond Counsel firms on July 21, and six firms were interviewed over August 31 and September 2. The District will enter into contract with campaign strategist Lew Edwards and the bond counselor firm, Stradling, Yocca, Carlson & Rauth.
- Facilities Master Plan RFPs were emailed on July 26, and nine proposals were received on August 19. All nine architectural firms will be interviewed over two days, September 20 and 21.

VI. Adjournment

Motion (Betsy Julian), second (Jeff Lehfeldt) to adjourn the meeting. The motion passed unanimously, and the meeting adjourned at 3:30 p.m.