

**MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES**

A Regular meeting of the Board of Trustees of the Kalamazoo Valley Community College District, 6767 West O Avenue, Kalamazoo, Michigan, was held on Tuesday, November 10, 2015, at the KVCC Texas Township Campus, 6767 West O Avenue, Kalamazoo, Michigan, in Conference Room 4380.

Chairperson Gustas convened the meeting at 5:30 p.m. and led everyone in reciting the Pledge of Allegiance.

ROLL CALL

Present: Trustees Gustas, Miller, Patton, Schauer, Stinson, Whitten and Young
Marilyn J. Schlack, President
Kathy Johnson, Recording Secretary and Executive Director
for Government Relations and Special Projects

OTHER ATTENDEES

Michael Collins, Executive Vice President for Instructional and Student Support Services
Louise Anderson, Vice President for Finance and Business
Craig Jbara, Vice President Strategic & Economic Development
Tom Hamann, Director Center for New Media
Mark DeYoung, Faculty Graphic Arts
Vivien McCurdy, Director Food Safety & Nutrition
Rick Ives, Director Public Safety
Melody Woods, Community Outreach Coordinator
Hunter Lee, KVCC Student
Brian Leuth, Plante & Moran
Karen Bouma

MEMBERS' TIME AND REVIEW OF AUDIT

The Board discussed items of general interest and reviewed a list of calendar items.

Chairperson Gustas recessed the meeting at 6:20 p.m. and stated that the board would reconvene in Board Room 3365 at 6:30 p.m. The meeting was reconvened at 6:30 p.m.

APPROVAL OF AGENDA

It was **MOVED** by Trustee Patton, **SECONDED** by Trustee Stinson, and **CARRIED** that the agenda be approved as presented.

CONSENT AGENDA

It was **MOVED** by Trustee Whitten, **SECONDED** by Trustee Miller, and **CARRIED** that the Consent Agenda Items for the month of November 2015 which includes the Secretary's Report, and the Treasurer's Report be approved as presented and that copies of the reports be attached to and made an official part of the minutes of the meeting.

KJ

PUBLIC PARTICIPATION

There was no one present who desired to address the board.

INFORMATION ITEMS

Kalamazoo Valley Museum Board of Advisors Report

Trustee Whitten, Board liaison to the Kalamazoo Valley Museum Board of Advisors, reported on the October 2015 meeting. The Science in Motion and Challenger Learning Center exhibits are being updated and improved. Roto Group has been chosen for Phase 2 redesign of the Science Gallery.

The Groves Center Board of Advisors' Update

Chairperson Gustas, board liaison to the Groves Center Board of Advisors, reported an update from the October 2015 meeting. Beth Washington, Bronson Healthcare Group, joined the Advisory Board. Sessions of the Police Academy, Wind Turbine Technician Academy, Patient Care Academy and Correction Officer Academy are underway.

KVCC Foundation Board Update

Trustee Young, board liaison to the KVCC Foundation Board of Trustees, presented an update of the November 2015 meeting. The Foundation's fiscal 2015 audit is complete and the Foundation received a clean, unmodified opinion. The Foundation has agreed to form a special purpose LLC to act as borrowing agent/conduit for a New Market Tax Credit to benefit the KVCC food production innovation building and site. The Opportunities for Education dinner will take place on Thursday May 19, 2016.

Food Safety Training and Culinary Medicine Update

Vivien McCurdy presented an update on Food Safety and Culinary Medicine program development. Tom Hamann, and Mark DeYoung provided an overview of a project where Center for New Media students have developed graphics for the new programs. Hunter Lee, reviewed the body of design work he developed for the Culinary Medicine program.

Healthy Living Campus Community Outreach Update

Melody Woods presented an update on the Community Outreach program she is leading. Many children and parents in the Edison neighborhood have benefited from the program.

President's Report

The President presented the gifts and grants reports for the college and the museum.

ACTION ITEMS

Acceptance of Audit Report for 2014-2015

Chairperson Gustas introduced Brian Leuth, who presented an overview of the Kalamazoo Valley Community College Audited Financial Statements and Other Financial Information for the Fiscal Year ended June 30, 2015, and the A-133 audit, noting that the college received a clean, unmodified opinion.

It was **MOVED** by Trustee Miller, **SECONDED** by Trustee Young and **CARRIED** that upon the recommendation of the Board Audit/Governance Committee the Audited Financial Statements and Other Financial Information for the fiscal year ended June 30, 2015, and the A-133 audit be accepted.

Resolutions for New Market Tax Credit

The College has the opportunity to obtain approximately \$2,652,000 in equity funding for the food production innovation building and site by engaging in a New Market Tax Credits transaction (NMTC). Louise Anderson presented an overview of the NMTC. The College will form a new LLC to facilitate the NMTC. The KVCC Foundation will form a special purpose LLC which will also be part of the NMTC.

November 10, 2015 Regular Meeting Minutes

48

It was **MOVED** by Trustee Patton, and **SECONDED** by Trustee Miller that the Resolutions below, authorizing the College to enter into a New Market Tax Credit transaction be adopted. The motion passed by the following roll call vote:

AYES 7

NAYS 0

ABSTAIN 0

**RESOLUTIONS FOR BOARD OF DIRECTORS
OF KALAMAZOO VALLEY COMMUNITY COLLEGE
NOVEMBER 10, 2015**

WHEREAS, Kalamazoo Valley Community College ("KVCC" or the "College") has the opportunity to obtain approximately \$2,652,000 in equity to assist construction and development of the Food Production Facility Campus Building and Site in downtown Kalamazoo, Michigan (the "Building"), by engaging in a New Markets Tax Credits transaction ("NMTC Transaction");

WHEREAS, entering into the NMTC Transaction would require the College to form a new limited liability company to be party to several NMTC Transaction documents (the "New LLC");

WHEREAS, entering into the NMTC Transaction may also require the College to lease or convey the Building to the Kalamazoo Valley Community College Foundation (or to a limited liability company to be formed by the Foundation ("Foundation LLC")) and would also require the College and New LLC to enter into several agreements and arrangements, including among others the following: loan agreements, real estate sale documents, leases, subleases or mortgages, assignments of rents and leases, facilities use agreements, account pledges, account control agreements, indemnity agreements, guarantees, environmental indemnities, assignments of contracts, disbursement agreements, QALICB recapture indemnities, closing statements, affidavits, and flow of funds memoranda, together with any amendments, extensions, replacements, or renewals thereto ("NMTC Financing Documents");

WHEREAS, the executive officers of the College have recommended that the College enter into the NMTC Transaction;

NOW, THEREFORE, BE IT RESOLVED as follows:

RESOLVED, that the executive officers of the College are hereby authorized and directed to form a new limited liability company, such New LLC to be managed under the authority of Marilyn Schlack as Manager and to be organized for the purposes contemplated by and required by the terms of the NMTC Transaction; and be it further

RESOLVED, that Marilyn Schlack as President of the College, or, if she is unavailable, each other executive officer of the College acting individually, including Louise Anderson, Vice President for Finance and Business, is hereby authorized and directed to negotiate, finalize, execute, enter into and consummate the NMTC Financing Documents on behalf of the New LLC, on such terms as such officers deem advisable and in the best interest of the New LLC and the College; and be it further

RESOLVED, that the executive officers of the College are hereby authorized and directed to lease or convey the Building to the Foundation or the Foundation LLC as may be required in connection with the NMTC Transaction, on such terms as such officers deem advisable and in the best interest of the College; and be it further

RESOLVED, that Marilyn Schlack as President of the College, or, if she is unavailable, each other executive officer of the College acting individually, including Louise Anderson, Vice President for Finance and Business, is hereby authorized and directed to negotiate, finalize, execute, enter into and consummate the NMTC Financing Documents on behalf of the College on such terms as the executive officers deem advisable and in the best interest of the College; and be it further

RESOLVED, that the officers of the College are hereby authorized and directed to take all further actions, make all filings, provide all notices and do all other things reasonable and necessary to further the purposes of the foregoing resolutions as determined in their best judgment; and be it further

RESOLVED, that all prior acts by the executive officers of the College in furtherance of the NMTC Transaction are hereby ratified and approved.

Acceptance of Varnum Law as NMTC Counsel to College and Foundation

In order to expedite the transaction and save legal expense, the College and KVCC Foundation both desire to use Varnum Law as NMTC counsel. This will require that the College and KVCC Foundation sign a joint resolution, waiver of conflicts and consent letter with Varnum Law. It was **MOVED** by Trustee Schauer, **SECONDED** by Trustee Miller, and **CARRIED** that the College agree to have Varnum Law represent both the College and the KVCC Foundation in the NMTC.

OTHER ITEMS

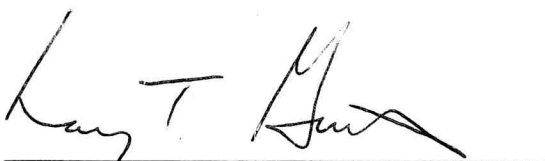
No other items of interest were shared.

FUTURE AGENDA ITEMS AND EVALUATION OF MEETING AND MATERIALS


No additional items were discussed.


ADJOURNMENT

It was **MOVED** by Trustee Miller, **SECONDED** by Trustee Patton, and **CARRIED** to adjourn the meeting. Chairperson Gustas declared the meeting adjourned at 7:47 p.m.



Mary Gustas, Chairperson



Anna Whitten, Secretary


Kathy Johnson, Rec. Sec.