



**Called Meeting of the Board of Trustees
Minutes
Technology Center Conference Room
October 15, 2013 – 6:00 p.m.**

Members present: Sue Gibson, Dr. Paul Baltz, Doug Cox, John Jackson, Jr., Leo Baltz, Ray Noel, Ruth Ann Ellis and Dr. Wayne Hatcher. Guests present: Angie Caldwell, Dr. Jan Ziegler, Dr. Roger Johnson, Brenda Gillogly, Carolyn Collins, Priscilla Stillwell, Donna Statler, Phillip Dickson, Kimberly Bigger, Julie Edington, Amber Green, Joniece Trammel, Butch Dail, Brandi Chester, Jenny Weaver, Janna Guthrey, Claudette Hackworth, Ramonda Housh, Terry and Tahnee Green, Bridgette Kasinger, Kelley Whitmire and Dalton Sullivan of the Pocahontas Star Herald.

Sue Gibson welcomed members and guests to the meeting.

APPROVAL OF REVISED AGENDA

Motion by John Jackson to approve the revised agenda for the meeting. Motion seconded by Ray Noel. Unanimous.

APPROVAL OF THE MINUTES

Motion by Doug Cox to approve the minutes of August 8, September 24 and 25, 2013 as presented. Motion seconded by Dr. Paul Baltz. Unanimous.

VICE PRESIDENT OF STUDENT AFFAIRS SELECTION PROCESS

Julie Edington, with Amber Green's assistance, presented the Timeline and Overview of the Selection Process for the Vice President of Student Affairs. A PowerPoint presentation described in detail all aspects of the process from the advertisement, selection of the committee members, rubric for scoring, Skype interviews, on campus interviews, and final selection process. Several reference materials were also provided. An official offer has not been made; therefore the names are being withheld. Several members of the selection committee were in attendance.

HEALTH SCIENCE COMPLEX FINANCING

Dr. Jan Ziegler and Angie Caldwell learned of the possibility of a USDA long-term, low-interest loan opportunity for capital improvements while attending the Rural Community College Alliance Conference in Washington, D. C. February 12-15, 2013.

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Doug Cox, Sue Gibson and administration met with representatives of USDA on February 27, 2013 to discuss the loan proposal in greater detail. A motion to proceed with the preliminary documents needed for the loan application was approved by the Board at the March 14, 2013 meeting. At the April 12, 2013 meeting, the Board reviewed information prepared by Brenda Gillogly regarding BRTC's debt service capacity and a comparison of USDA versus Private annual funding costs on \$10 million. Using information provided by administration, Ruby Architects prepared the square footage and initial estimates of a Health Science Complex and a Hard Tech Building. The Board voted to allow Ruby Architects to proceed with the information needed for the USDA loan for the Health Science Complex only.

At the May 2, 2013 meeting, a Finance/Capital Projects Committee was appointed which included: John Jackson, Doug Cox, Leo Baltz and Sue Gibson as ex officio. (John Jackson was appointed Chair of the committee at the August 8 meeting.) Board members heard that the need for a new health professions facility was identified and discussed in great detail two years prior.

The Finance/Capital Project Committee recommended to the Board at the June 7, 2013 meeting the authority for BRTC administration to pursue a 30 year fixed rate loan with USDA at a construction cost of \$10 million plus a contingency of \$1 million for a total not to exceed \$11 million. Unanimous approval was given by the Board. The Arkansas Higher Education Coordinating Board approved the project at their June 13 special meeting.

At the August 8, 2013 meeting, Brenda Gillogly stated that requests for proposals for interim financing were due that day and that the loan process required a Financial Feasibility Study which would be prepared by Hughes, Welch and Milligan in Batesville. BRTC's deadline for submission of the proposal to the Jonesboro office was September 1.

The Finance/Capital Projects Committee and administration met with Aaron Ruby and John Allison on September 19, 2013. The topic of the meeting was the pros and cons of seeking a Construction Management at Risk to work with the architects to provide the most efficient Health Science Complex. The consensus of the committee was favorable.

Justin Ladd, of the Jonesboro USDA office, was on campus September 25, 2013 with the official USDA documents. Documents were signed by Vice Chair Dr. Paul Baltz and Doug Cox. This action obligated USDA to set aside this loan amount for BRTC. The project met the deadline and the rate was locked in at 3.5% for 28 years for a loan amount up to \$9.5 million. USDA required BRTC to hold a contingency fee of \$1 million. USDA paperwork indicated a total loan amount which exceeded formal Board approval and was questioned by Dr. Paul Baltz.

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After the official documents were signed, advertisements for a Construction Management at Risk were prepared and sent to proper outlets when the government was shut down. As USDA approval for the ads is required, advertisements were put on hold.

John Jackson reiterated at the October 15th meeting that the Health Science Complex cost projections are rough estimates at this time. With the addition of a Construction Management at Risk working closely with the architects and with direction from administration and the board, BRTC should have a facility of which that everyone can be proud. Mr. Jackson recommended that the Finance/Capital Projects Committee hold regular meetings (in which all are invited) and keep the others informed of the progress.

EXECUTIVE SESSION

Motion by John Jackson to adjourn into executive session. Motion seconded by Dr. Paul Baltz. Unanimous.

Motion by Doug Cox to resume regular session. Motion seconded by Dr. Paul Baltz. Unanimous.

ADJOURNMENT

Motion by Ray Noel to adjourn at 9:30 p.m. Motion seconded by John Jackson. Unanimous.

Doug Cox
Doug Cox, Secretary

October 21, 2013