

APPROVED MINUTES

MISSION-WEST VALLEY LAND CORPORATION

Board of Directors

Regular Meeting

Minutes

January 18, 2011

A regular meeting of the Board of Directors of the Mission-West Valley Land Corporation was called to order by Vice President Chad Walsh at 4:30 p.m. in the Board Room, West Valley College, Saratoga, California.

Directors present: Heimlich, Stampolis, Polk, Walsh, and Grey (4:35 pm)

Directors absent: Lucas and Owens

Others present: Hendrickson, Maduli, Perlberger, Gaskin, Gennis (via Phone), and Jones

1. Call to order/Roll Call

2. Approval of the order of the agenda

There was a motion by Walsh, seconded by Heimlich, to “approve the order of the agenda, moving item #3 to be heard after completion of item #8.” The motion carried unanimously (4-0, Grey, Lucas and Owens absent and not voting).

3. Election of Corporate Officers to serve for 2011

This item was moved to be heard after item #8 per the motion above.

4. Oral communications from the public on items not listed elsewhere on the agenda

None.

5. Approval of the minutes of the meeting of November 16, 2010

There was a motion by Polk, seconded by Heimlich, to “approve the minutes of the meeting of November 16, 2010” as presented. The motion carried unanimously (4-0, Grey, Lucas and Owens absent and not voting).

6. Executive Director's Report

The Executive Director noted that most items of note are on the agenda, but did remind the Board that the annual FPPC From 700 filings are due by April 1st and that the Land Corporation requires a separate filing in addition to any District filing they might be required to make.

The Board convened into Closed Session at 4:33 p.m. by Vice President Walsh.

7. Closed Session discussion and possible direction to negotiators

Conference with Real Property Negotiators (Government Code Section 54956.8)
Property: 2811-2821 Mission College Boulevard, leased to Sobrato Development Companies and successors in interest SI 27, LLC, a California Limited Liability Company and SI 29, LLC, a California Limited Liability Company and further subleased to other entities and located on Mission College Boulevard, Santa Clara, CA concerning issues related to leases, possible lease amendments, nondisturbance agreements and the ministerial acknowledgment of assignments

Negotiators: Mark Perlberger and Alan Gennis

Negotiating Parties: Sobrato Development Companies, SI 27, LLC, and SI 29, LLC, and the Land Corporation

Also,

Negotiations with QTS, LLC, regarding issues associated with its contemplated improvements to the site, use of the site, and other development plans pursuant to certain terms of the ground lease

Property: 2805-2807 Mission College Blvd.

Negotiators: Mark Perlberger and Alan Gennis

Negotiating Parties: QTS and the Land Corporation

The Board reconvened into Open Session at 5:25 p.m. by President Grey.

8. Report of actions taken in closed session

The Board received a status update on negotiations and gave the Executive Director and Counsel Gennis direction in negotiations.

9. Election of Corporate Officers to serve for 2011

There was a motion by Polk, seconded by Walsh, to "elect Bob Owens, President." The motion carried unanimously (5-0, Lucas and Owens absent and not voting.). There was a motion by Walsh, seconded by Polk, to "elect Nick Heimlich, Vice President." The motion carried unanimously (5-0, Lucas and

Owens absent and not voting). There was a motion by Grey, seconded by Polk, to “elect Mark Perlberger, Secretary.” The motion carried unanimously (5-0, Lucas and Owens absent and not voting). There was a motion by Walsh, seconded by Grey, to “appoint John Hendrickson as Treasurer.” The motion carried unanimously (5-0, Lucas and Owens absent and not voting).

President Grey passed the gavel to newly elected Vice President Heimlich to continue the meeting.

10. **Review, consideration and possible action to direct the Executive Director to execute that 2nd Amendment to the Phase I Ground Lease by and between the Land Corporation and SI 27 LLC, a California Limited Liability Company in substantially the form attached hereto**

There was a motion by Polk, seconded by Walsh, to “direct the Executive Director to execute that 2nd Amendment to the Phase I Ground Lease by and between the Land Corporation and SI 27 LLC, a California Limited Liability Company in substantially the form as provided.” The motion carried unanimously (5-0, Lucas and Owens absent and not voting).

11. **Review, consideration and possible action to direct the Executive Director to execute that 2nd Amendment to the Phase II Ground Lease by and between the Land Corporation and SI 29 LLC, a California Limited Liability Company in substantially the form attached hereto**

There was a motion by Stampolis, seconded by Walsh, to “direct the Executive Director to execute that 2nd Amendment to the Phase II Ground Lease by and between the Land Corporation and SI 29 LLC, a California Limited Liability Company in substantially the form as provided.” The motion carried unanimously (5-0, Lucas and Owens absent and not voting).

12. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of November 30, 2010**

There was a motion by Polk, seconded by Walsh to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of November 30, 2010.” The motion carried unanimously (5-0, Lucas and Owens absent and not voting).

13. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of December 31, 2010**

There was a motion by Grey, seconded by Walsh, to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of December 31, 2010.” The motion carried unanimously (5-0, Lucas and Owens absent and not voting).

14. Review, consideration and possible action to amend the current fiscal year’s Administrative and Operating Budget by \$31,000 to settle disputed IRS late filing penalties for the tax years 2005 and 2006

The Executive Director and Vice Chancellor described to the Board materials and the situation leading to this request as per prior Executive Director reports. The Executive Director and Land Corporation accountants have appealed these charges to no avail. The Executive Director acknowledged responsibility for the mistake and explained procedural changes intended to ensure it is not repeated. Stampolis questioned the language in the agenda item (the use of the word “settle” in particular). Director Stampolis discussed possible alternative strategies for a different resolution including approaching elected officials to lobby the IRS. There was discussion of a motion to do so. Ultimately the motion was withdrawn. After further discussion, there was a motion by Walsh, seconded by Grey, to “adjust the expense budget per staff recommendation above in the amount of \$31,000.” Motion carried (4-1, with Stampolis voting no, Lucas and Owens absent and not voting).

15. Review, consideration and possible action to establish a budget for special projects and capital project needs for the 2010-2011 fiscal year

Chancellor Hendrickson directed the Board to his 2011/2012 Land Corporation Special Project Funding Allocation memorandum in the Board packet. He noted it was drafted prior to newly elected Governor Brown’s budget proposal and that community colleges face great financial uncertainty both from the State and the economy than ever before.

There was a motion by Stampolis, seconded by Walsh, to “direct the District to announce and accept proposals for funding, but not to establish a funding amount at this time.” After Board discussion about the prospect of calling for proposals without making funding available, the motion failed (1-4, with Walsh, Heimlich, Grey and Polk voting no, Lucas and Owens absent and not voting). There was a motion by Grey, seconded by Polk, to “have the Chancellor and administration work with the Executive Director to submit a proposal to the Land Corporation at a future date, when better information is available as to the District’s actual needs for the next fiscal year.” Motion carried unanimously (5-0 with Lucas and Owens absent and not voting).

16. Director's Reports

Board member Stampolis noted that he expects complete board packets for the Land Corporation to be available on the District's website. Currently only the agenda is posted. He also raised the question of the Land Corporation and/or Executive Director having errors and omissions insurance.

Vice President Heimlich thanked Adrienne Grey for her service and leadership as Board President of the Land Corporation during 2010.

17. Adjournment

The meeting was adjourned at 6:17pm by Vice President Heimlich.