MISSION-WEST VALLEY LAND CORPORATION
BOARD OF DIRECTORS

(It is noted that all members of the Board of Trustees of the West Valley-Mission Community College District are members of this Board and all or a majority of the Trustees may be in attendance at this meeting)

NOTICE OF REGULAR MEETING and AGENDA
May 15, 2012
5:00 p.m.
Campus Center Room 219
Mission College
Santa Clara, California

1. **Call to order/Roll Call**

2. **Approval of the order of the agenda**

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

4. **Approval of the minutes of the meeting of April 17, 2012**

5. **Executive Director's Report**

   This item may include a report on matters not noticed elsewhere on the agenda. The report may include information regarding the status of ground tenants, burrowing owls, construction and/or the general business of the Land Corporation.

6. **Closed Session discussion and possible direction to negotiators**

   Negotiations with Lakha Properties – Santa Clara, LLC, regarding issues associated with its ground lease and subtenant leases and the possible agreement to provide a Non-Disturbance Agreement for a new sub-tenant.
   Property: 3101 Mission College Blvd.
   Negotiators: Mark Perlberger and Alan Gennis
   Negotiating Parties: Lakha Properties – Santa Clara, LLC, and the Land Corporation

7. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of April 30, 2012**

   This item may include review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of April 30, 2012.

8. **Review, consideration and possible action to renew the Executive Director's contract for an additional year**

   This item may include action or direction regarding the renewal of the Executive Director's contract likely under the same terms and conditions as the prior year, or as agreed by the parties.

9. **Director's Reports**

10. **Adjournment**

MISSION-WEST VALLEY LAND CORPORATION
Board of Directors
Regular Meeting
Minutes
April 17, 2012

A regular meeting of the Board of Directors of the Mission-West Valley Land Corporation was called to order by President Heimlich at 5:03 p.m. in the Board Room, West Valley College, Saratoga, California

Directors present: Owens, Polk, Heimlich, Grey, Lucas, Stampolis and Walsh (5:11 pm)

Directors absent: none

Others present: Perlberger, Hendrickson, Maduli, Negash (for Jones)

1. Call to order/Roll Call

2. Approval of the order of the agenda

There was a motion by Owens, seconded by Polk, to "approve the order of the agenda as presented." The motion carried unanimously with Walsh absent and not voting (6-0).

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

None.

4. Approval of the minutes of the meeting of March 20, 2012

There was a motion by Owens, seconded by Stampolis, to "approve the minutes of the meeting of March 20, 2012, as presented." The motion carried with Lucas abstaining and Walsh absent and not voting (5-0-1).

5. Executive Director's Report

The Executive Director discussed on-going work with tenant QTS on its zoning application to the City. The Executive Director briefly commented on real estate market trends with information from a discussion with John Sobrato.

6. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of March 31, 2012

There was a motion by Stampolis, seconded by Owens, to "accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of March 31, 2012." The motion carried unanimously with Walsh absent and not voting (6-0).

7. Review, consideration and possible action to authorize the Executive Director to execute on the Land Corporation's behalf a contract with Vavrinek, Trine, Day & Co., LLP, for the performance of an audit of the fiscal year-end financials dated June 30, 2012

There was a motion by Stampolis, seconded by Owens, to "authorize the Executive Director to execute on the Land Corporation's behalf the contract with Vavrinek, Trine, Day & Co., LLP, for the annual audit of the fiscal year-end financial dated June 30, 2012." The motion carried unanimously with Walsh absent and not voting (6-0).

8. A discussion about the make-up of the Land Corporation's Board of Directors

President Heimlich noted this item was not an action item, and was agenized per the request of Director Stampolis. Director Stampolis explained his belief that there was a disconnection between the administrative tasks of the Land Corporation and membership of the Board and suggested that a change in membership might be appropriate. In a brief discussion, the Board generally affirmed its support for the current membership make-up.

9. A discussion about the Land Corporation considering means of increasing its annual earnings by investing a portion of its reserves differently than currently deployed.

This item was placed on the agenda at the request of President Heimlich. The Board discussed a desire to have more of a return on funds invested, but the need to conservatively manage risk and keep liquidity to meet the needs of the Land Corporation. President Heimlich appointed a subcommittee to be chaired by Director Owens and made up of Stampolis, Heimlich, Perlberger, and Hendrickson to investigate options further.

10. Director's Reports

Director Stampolis requested a future discussion of the long range projections of rents and how to maximize return on the land assets of the Land Corporation. The Executive Director noted that all Land Corporation land is already leased.

11. Adjournment at 5:41 p.m. by President Heimlich.

ITEM 7

May 15, 2012

To: Board of Directors
Mission-West Valley Land Corporation

From: Jerry Donnard
Bookkeeper

Subject: Financial Statements

Attached is the financial statement for April 30, 2012.

Please refer to the footnotes for any unusual or unexpected fluctuations in the Monthly or Year-to-Date expenses.

Please contact Mark or me if there are any questions regarding the statement.

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of April 30, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
Revenues			
Ground Lease Revenues			
LAKHA Properties	$ 1,046,250	$ 79,167	$ 887,917
Sobrato/S-3: Phase I	1,002,375	83,049	830,486
Sobrato/S3: Phase II	701,806	58,484	584,838
Quality Technology	1,085,032	90,419	904,194
General Interest Revenue	40,000	$ 9,059	$ 27,120
Gross Revenue	$ 3,875,464	$ 320,177	$ 3,234,555
Expenses:			
Administrative and Operating Expenses			
Audit Services	$ 12,000	$ -	$ 11,550
Office Supplies	500	-	111
Property Taxes	400	-	436
Legal Fees	60,000	-	20,134
Financial Services	7,000	225	4,140
Executive Director/Project Manager	84,000	7,000	69,500
WVMCCD Rent Fees (25% of Revenues)	958,866	239,693	724,079
Total Administrative and Operating Expenses	$ 1,122,766	$ 246,918	$ 829,949
Scheduled Maintenance			
08/09 Scheduled Maintenance	$ 116,914	$ 32,411	$ 103,819
09/10 & 10/11 Scheduled Maintenance	400,000	$ 41,897	$ 41,897
Total Scheduled Maintenance Expenses	$ 516,914	$ 74,308	$ 145,716
Other Expenses			
District HVAC & Lighting Energy Retrofit Projects	347,360	$ -	$ 347,360
District 2011-2012 Budget Backfill	1,560,472	$ -	$ 1,560,472
Total Other Expenses	$ 1,907,832	$ -	$ 1,907,832
Excess of Revenues Over Expenses Before Special Project Expenses	$ 327,952	$ (1,048)	$ 351,057
Special Projects Ongoing			
Marketing	$ 181,204	$ 22,371	$ 44,731
Web Content Mgmt System - WVC	52,751		
Library Materials - WVC	46,000		23,243
Upgrade Computers in Tech Lab, IC-B, Library	30,423		11,723
Multi-Media Classrooms	48,823		41,700
Adapted Software/Hardware	16,418		15,885
Adapted Furniture for students w/Disabilities	22,696		22,696
SLO Module	11,008		6,769
Virtual DLR	38,677		4,284

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of April 30, 2012

	Budget (Col A)	***Current Month (Col B)***	***Year to date Actual (Col C)***
Welcome Center - WVC	89,833		366
WVC Website Reorg, Revised Design, Schedule	16,000		
AutoDESK Software	5,985		5,676
Integrated Recycle & Disp Collection Project - WVC	37,000		21,494
Computer Upgrades in AAS Classrooms	28,124		
Puente Project & SUCCESS Program	36,280		650
ET Enhanced Project	17,032		3,054
Certificate, Degree & Transfer Program	61,990		28,035
Critical Instructional Equip for Lab Classrooms	10,812		4,572
Gym Air Conditioning - MC	256,705		
Welcome Center - MC	4,551		4,551
Library Space Modernization	44,455		1,482
Integrated Recycle & Disp Collection Project - MC	1,722		
Employee Assistance & Transition Programs	108,260	21,825	35,635
Mobile Patrol Computers	14,501		10,988
Desktop Optimization	47,410		45,604
Payroll Document Mgmt System	73,839	15,175	31,076
Total Special Projects Expenses	$ 1,302,499	$ 59,371	$ 364,214
Excess of Revenues Over Expenses	$ (974,547)	$ (60,420)	$ (13,156)
Current Year Contributions to Endowment Fund	$ 383,546		
Assignment of Interest to Endowment	1,742		
Total 11-12 Endowment Contribution	$ 385,289	$ -	$ -
Excess of Revenues Over Expenses and Endowment	$ (1,359,836)	$ (60,420)	$ (13,156)

Statement of Changes in Fund Balance

					Statement of Revenues and Expenses From June 30, 2011
Net Assets June 30, 2011			**$**	**8,783,446**	
less Amortization of Prepaid Expenses			**$**	**14,977**	
			$	**8,768,469**	
Restrictions and Designations of Net Assets					
Endowment Fund	$	424,321			
Land	$	16,702			
Reserve for Prepaid Commission	$	637,710			
Contingency Reserve	$	1,500,000			
Undesignated Fund Balance	$	6,189,736			
Excess of Revenues over Expenses in 11-12			**$**	**(974,547)**	
less Amortization of Prepaid Expenses			**$**	**14,977**	
Projected net increase in fund balance			**$**	**(989,524)**	
Transfer of Endowment to Adv. Foundation					
Projected Net Assets June 30, 2012			**$**	**7,778,945**	
Restrictions and Designations of Net Assets					
Endowment Fund	$	809,610			
Land	$	16,702			
Reserve for Prepaid Commission	$	622,733			
Contingency Reserve	$	1,500,000			
Undesignated Fund Balance	$	4,829,900			
Current Month Cash Balance:					
Month End Checking Acct Balance	$	7,478			
Month End LAIF Acct Balance	$	8,762,151			
Previous Month Cash Balance:					
Month End Checking Acct Balance	$	80,422			
Month End LAIF Acct Balance	$	8,863,092			

Schedule for
Restriction on reserves for endowment
effective 6/30/00

	Contributions	Additions/ Interest	Cumulative Balance	LAIF interest rate			Endowment Transfers
Jun 2000 Beginning Balance	$325,450						
Sep 2000		$5,264	$330,714	6.47%	Actual		
Dec 2000		$5,391	$336,105	6.52%	Actual		
Mar 2001		$5,176	$341,281	6.16%	Actual		
Jun 2001		$4,539	**$345,820**	5.32%	Actual		
Sep 2001		$3,865	$349,684	4.47%	Actual		
Dec 2001		$3,077	$352,762	3.52%	Actual		
Mar 2002		$2,610	$355,372	2.96%	Actual		
Jun 2002	$372,772	$2,443	**$730,587**	2.75%	Actual	$11,995	
Sep 2002		$4,804	$735,391	2.63%	Actual		
Dec 2002		$4,247	$739,638	2.31%	Actual		
Mar 2003		$3,661	$743,299	1.98%	Actual		
Jun 2003	$402,746	$3,289	**$1,149,334**	1.77%	Actual	$16,001	
Sep 2003		$4,684	$1,154,018	1.63%	Actual		
Dec 2003		$4,501	$1,158,518	1.56%	Actual		
Mar 2004	$332,912	$4,258	$1,495,688	1.47%	Actual		
Jun 2004	$357,445	$5,384	**$1,858,517**	1.44%	Actual	$18,826	
Sep 2004		$7,759	$1,866,277	1.67%	Actual		
Dec 2004		$9,331	$1,875,608	2.00%	Actual		
Mar 2005		$11,160	$1,886,768	2.38%	Actual		
Jun 2005	$358,231	$13,443	**$2,258,442**	2.85%	Actual	$41,694	
Sep 2005		$17,955	$2,276,397	3.18%	Actual		
Dec 2005		$20,658	$2,297,055	3.63%	Actual		
Mar 2006		$23,143	$2,320,198	4.03%	Actual		
Jun 2006	$381,977	$26,276	**$2,728,451**	4.53%	Actual	$88,032	
Sep 2006		$33,628	$2,762,079	4.93%	Actual		
Dec 2006		$35,286	$2,797,365	5.11%	Actual		
Mar 2007		$36,156	$2,833,521	5.17%	Actual		
Jun 2007	$426,809	$37,048	**$3,297,378**	5.23%	Actual	$142,118	
Sep 2007		$43,196	$3,340,574	5.24%	Actual		
Dec 2007		$41,423	$3,381,997	4.96%	Actual		
Mar 2008		$35,342	$3,417,339	4.18%	Actual		
Jun 2008	$440,632	$26,570	**$3,884,540**	3.11%	Actual	$146,530	
Sep 2008		$26,900	$3,911,441	2.77%	Actual		
Dec 2008		$24,838	$3,936,278	2.54%	Actual		
Mar 2009		$18,796	$3,955,074	1.91%	Actual		6/18/2009
Jun 2009	$450,341	$14,930	**$535,806**	1.51%	Actual	$85,464	**$3,884,540**
Sep 2009		$1,206	$537,011	0.90%	Actual		
Dec 2009		$806	$537,817	0.60%	Actual		2/1/2010
Mar 2010		$753	$2,764	0.56%	Actual		**$535,806**
Jun 2010	$458,214	$4	**$460,982**	0.56%	Actual	$2,768	
Sep 2010		$588	$461,569	0.51%	Actual		10/15/2010
Dec 2010		$531	$1,118	0.46%	Actual		**$460,982**
Mar 2011		$1	$1,119	0.51%	Actual		
Jun 2011	$423,201	$1	**$424,321**	0.48%	Actual	$1,121	
Sep 2011		$403	$424,724	0.38%	Actual		**$4,881,328**
Dec 2011		$403	$425,127	0.38%	Actual		
Mar 2012		$404	$425,531	0.38%	Actual		
Jun 2012	$383,546	$532	**$809,610**	0.50%	Estimate	$1,742	

FIFTEENTH AMENDMENT TO CONSULTING AGREEMENT BETWEEN MISSION-WEST VALLEY LAND CORPORATION AND HALBEAR ENTERPRISES

This Fifteenth Amendment to Consulting Agreement (the "Fifteenth Amendment") is made and intended to be effective as of August 1, 2012, by and between the MISSION-WEST VALLEY LAND CORPORATION, a California non-profit public benefit corporation ("MISSION-WEST") and MARK PERLBERGER d/b/a HALBEAR ENTERPRISES ("CONSULTANT"), sometimes hereinafter collectively referred to as the "parties."

The Consulting Agreement between the parties dated August 1, 1996 ("the Agreement") shall be amended as follows:

As amended, Article 1 (Term of the Agreement), Section 1.1 shall read:

> 1.1. The term of this Agreement shall be from **August 1, 2012 until July 31, 2013,** unless earlier terminated earlier as provided herein. The Agreement may be renewed or extended by the mutual consent of MISSION-WEST and CONSULTANT.

As amended, Article 3 (Consideration), Section 3.1 shall read

> 3.1. Basic Rate. For professional services rendered pursuant to this Agreement as set forth in Exhibit A, MISSION-WEST agrees to pay CONSULTANT **Seven Thousand Dollars ($7,000) per month**, payable on the first of each month.

As amended, Article 3 (Consideration), Section 3.2 shall read

> 3.2 Hourly Rate - For professional services rendered pursuant to this Agreement for the activities set forth in Exhibit B (the "Hourly Activities"), MISSION-WEST agrees to pay CONSULTANT based upon its **hourly rate of One Hundred Ninety Dollars ($190.00)** for time spent on Hourly Activities.

The following Sections shall be added to the Agreement:

> **8.9. Authority to Execute - Each party warrants and represents that all requisite action has been taken to duly authorize the parties to execute this Agreement.**
>
> **8.10. Counterparts - This Agreement may be executed in counterparts, with each counterpart deemed to be an original, but all of which together shall constitute one and the same instrument**

Exhibit A (Services Provided by Consultant) is hereby amended as set forth in Exhibit A, attached hereto.

Except as amended herein, all other provisions of the Agreement shall remain in full force and effect. This Fifteenth Amendment supersedes all previous amendments to the Agreement.

IN WITNESS WHEREOF, MISSION-WEST and CONSULTANT have executed FIFTEENTH AMENDMENT with the intent to be legally bound thereby.

DATED: _____, 2012

MISSION-WEST VALLEY LAND CORPORATION, a California non-profit Public Benefit Corporation

By: _____

Its: _____

DATED: _____, 2012

_____

MARK A. PERLBERGER, dba HALBEAR ENTERPRISES

EXHIBIT A

Services Provided by Consultant

1. **Act as Secretary to the Board of Directors and in such capacity:**

   a. Arrange and attend meetings of MISSION-WEST or its committees; take minutes.

   b. Compose and issue agendas, meeting packets, minutes, enclosures, current bylaws, cover memos, reports, and similar documents.

   c. Certify or attest to actions taken by the Board whenever such certification or attestation is necessary for any purpose.

   d. Maintain files

2. Oversee and participate in financial duties re checks, an annual audit, budgets, forms, legal bills, etc.

3. Interact with employees regarding land development projects and other business of MISSION-WEST (including Business Services, Facilities, student government, policy, and other committees)

4. Confer with the Chancellor, College Presidents, and Board members re land development and other MISSION-WEST issues.

5. Process Economic Interest Disclosure Forms (FPPC) and review insurance

6. Communicate with lessees, City and County governments, and other entities as well as lawyers, architects, real estate agents, engineers and other consultants re MISSION-WEST business.

7. Attend meetings of Planning Commission, Assessment District, City Council, Signage Commission, and other groups as needed.

8. Track and resolve construction-related issues and monitor leases.

9. Oversee negotiations and meetings relating to land development and other MISSION-WEST issues.

10. Serve as point person to coordinate between academic staff and tenants to develop jobs, internships, and advertising.

11. Coordinate procedures and communications regarding the distribution of proceeds from land development reserves.

12. Such other services which are mutually agreed to by Consultant and the Board.