

**MISSION-WEST VALLEY LAND CORPORATION**

Board of Directors

Regular Meeting

Minutes

May 20, 2014

**1. Call to order**

A regular meeting of the Board of Directors of the Mission-West Valley Land Corporation was called to order by Bob Owens at 5:10 p.m. in the Board Room, West Valley College, Saratoga, CA

**2. Roll Call**

Directors Adrienne Grey, Jack Lucas, Bob Owens, and Buck Polk; Secretary/Treasurer Ed Maduli. Director Nick Heimlich arrived at 5:24pm, and Land Corporation President Chad Walsh arrived at 5:27pm. Land Corporation Vice President Karl Watanabe, absent.

**3. Approval of the order of the agenda**

The order of the agenda was approved as presented. (Polk/Lucas, 4/0/0, with Heimlich, Walsh and Watanabe absent and not voting).

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

None.

**5. Approval of the minutes of the meeting of March 18, 2014**

The March 18, 2014, meeting minutes were approved as presented. (Polk/Lucas, 4/0/0, with Heimlich, Walsh and Watanabe absent and not voting).

**6. Approval of the minutes of the meeting of April 28, 2014**

The April 28, 2014, meeting minutes were approved as presented. (Lucas/Owens, 4/0/0, with Heimlich, Walsh and Watanabe absent and not voting).

7. **Officers' Report**

Mr. Maduli reported that the RFP for the Asset Management Consultant closed on May 7, and only two responses were received. Following a discussion with the Land Corporation President, it was decided to extend the RFP until May 29. Additional responses are expected. Interviews are tentatively scheduled for the week of June 2. Mr. Owens asked if the Land Corporation Directors would be involved in the interview and selection process. Mr. Maduli responded that President Walsh has recommended that the following individuals serve on the committee: Walsh, Owens, Polk, and Maduli. If other Directors are interested in serving, they should contact President Walsh.

8. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of April 30, 2014**

The April 30, 2014, Statement of Revenues, Expenditures and Net Assets was accepted as presented. (Polk/Lucas, 4/0/0, with Heimlich, Walsh and Watanabe absent and not voting).

9. **Possible action to amend the current fiscal year budget to transfer the FY 11/12 amount of \$385,140 to the Endowment Fund/Advancement Foundation**

Mr. Maduli reported that the FY 11/12 Endowment Fund transfer of \$385,140 was never made. At the time of the request, the Board of Directors discussed the issue but never acted upon it. The oversight was discovered after the FY 12/13 transfer was approved.

Ms. Cindy Schelcher, Dean of Advancement; Mr. Bill McFarland, Advancement Foundation Treasurer; Mr. Dave Sandretto, Advancement Foundation President; and Mr. Rob Fernandez, former Advancement Foundation President, were in attendance and available to respond to questions from the Board. Mr. Lucas asked if approving this transfer would bring the Foundation up-to-date on scheduled transfers. Mr. Maduli responded in the affirmative. Mr. Heimlich asked about the criteria used for awarding scholarships from the Endowment Fund, about who reviews the scholarship applications, and how one applies for a scholarship. Mr. Fernandez stated that an explanation of the Endowment fund process could be found in the documents provided to the Land Corporation Director's at the start of the meeting, and that all applications are reviewed by the Foundation, with help from the colleges.

There was a motion by Lucas, seconded by Grey, to "amend the current fiscal year budget to transfer the FY 11/12 amount of \$385,140 to the Endowment

Fund/Advancement Foundation.” The motion passed 6/0/0, with Watanabe absent and not voting.

**10. Directors and Officers Liability Coverage**

Mr. Maduli reported that the Land Corporation does not currently offer Directors and Officers Liability Coverage to its directors and officers. This coverage would be in addition to what is provided under the District’s property and liability plan, and would provide coverage for personal claims against directors and officers. The District received several quotes for this additional coverage, and Mr. Maduli is recommending that the Land Corporation consider the proposal from Allied Work Assurance Company, which has an annual premium of \$1,533. Mr. Walsh stated his intent to vote for the coverage, and added that he believes Land Corporation Director’s should be afforded the same rights and coverage consistent with industry standards.

There was a motion by Grey, seconded by Polk, to “enter into a contract with Allied Work Assurance Company, which has an annual premium of \$1,533, for Directors and Officers coverage.” The motion passed, 5/1/0, with Owens voting no and Watanabe absent and not voting.

**11. Update from the Allocation of Funds Policy Review Ad-hoc Committee**

Mr. Heimlich reported that the ad-hoc committee met on April 16, 2014, and that there was not a lot of external participation. The committee discussed and refined areas of need, and is waiting for feedback from staff regarding categories and funding levels. There will be at least one additional meeting before proposed revisions to the policy are presented for review and approval. Ms. Grey stated that she would like feedback from staff on current progress. Mr. Maduli reported that staff at the colleges and in Central Services have been tasked with identifying specific areas of need and determining a dollar amount associated with them. It is anticipated that the information will be compiled by the end of May. Mr. Polk believes that the college Athletic Director’s need to be involved in the process. Mr. Maduli replied that PE/athletics fall under the “capital improvements” category, and he is working with the colleges to obtain information on their needs. The college Presidents both indicated that discussions have taken place regarding this issue.

**12. Review, consideration and possible action to enter into an agreement with Equinox Search to aid in the recruitment for Asset Management Consultant Services**

Mr. Maduli reported that, due to the low number of responses received for the Asset Management Consultant Services RFP, consideration was given to using a search firm to help with the recruitment process. Equinox Search was

recommended by the Land Corporation's attorney. The fee proposal submitted by Equinox Search is very high and, since receiving the proposal, other individuals and firms have shown interest in responding to the RFP. Most of the Directors expressed concern about the \$50,000 fee proposed by Equinox Search and preferred taking a wait-and-see attitude regarding the outcome of the RFP extension before making a decision on a search firm.

No action was taken.

**13. Director's Reports**

None.

**14. Adjournment**

Meeting adjourned at 5:58pm.