

**OFFICIAL MINUTES
BOARD OF GOVERNORS MEETING
WEST VIRGINIA NORTHERN COMMUNITY COLLEGE
Tuesday, December 3, 2019 -- 11:00 a.m. – Weirton Campus**

A meeting of the West Virginia Northern Community College Board of Governors was held on Tuesday, December 3, 2019 in the B & O Board Room on the Wheeling Campus.

1. Call to Order

Mr. Artman convened the meeting at 11:06 a.m.

2. Roll Call

Members in attendance were: Brann Altmeyer; David Artman; Richard Barnabei; Shelly Thomas; Chris Kefauver; Shelly Reager; and Sara Morehead. Excused: Bob Contraguerra, Jr. and Larry Lemon.

Guests included: Dr. Dan Mosser, President; Dr. Jill Loveless, Provost; Jeff Sayre, CFO/Vice President of Administrative Services; Dr. Pam Sharma, Vice President of Institutional Effectiveness; Larry Tackett, Vice President of Economic Workforce & Development; Peggy Carmichael, Chief Human Resources Officer; and Trish Marker, Director of Facilities.

3. Update on Reserve Investment Funds

Dr. Mosser stated that the purpose of this meeting is to review the reserve investment funds and to provide a better understanding of the impact of investments to date and consensus on our plan moving forward. In August 2018, the Board approved a four-year program of expenditures of reserves not to exceed the amount necessary to maintain the reserves at a level equal to nine months of the College operating expenses. In August 2018, there was \$16.3 million in those reserves. To date, slightly less than one million has been spent primarily due to start-up logistics and planning requirements. A list of projects for FY19 and FY20 were approved leaving a balance of \$6.2 million for future reserve projects.

Ms. Trish Marker, Director of Facilities, described the projects and upgrades to date which include upgraded IP video classrooms, the Makerspace, EC 305 and the Anatomage table, the Weirton Campus manage office, faculty work spaces in New Martinsville, the B & O auditorium, faculty office refreshes and Weirton and New Martinsville roof replacements (which were supplemented by the CTCS). Ms. Marker stated that before Interim President, Mike Koon, left he provided a list of FY 2020 priorities that are now underway.

Mr. Sayre stated that the college abandoned the guaranteed energy savings partnership with ABM after hearing expressions of concern from the Board but continued to pursue methods of addressing our HVAC repair and maintenance needs. The state commissioned a Sightlines report in 2017. This report projected the next ten years of anticipated HVAC unit replacements. ABM was later contracted to do an investment grade audit of our systems – not only HVAC. The Sightlines estimate was about \$1.4 million. The HVAC portion of ABM was about \$1.5 million. Mr. Sayre stated that following our October 2020 BOG meeting, he asked ABM for an invoice for the investment grade audit.

Dr. Mosser stated that we are seeking Board of Governors consensus as follows:

- 1) The College's HVAC controls and systems need attention,
- 2) The College is fortunate to have sufficient reserve funds; therefore, there is not a need or interest in any "guaranteed energy savings" arrangement, and
- 3) Over the next two years via an open bid RFP process, the College will undertake up to \$1.5 million of HVAC upgrades.

A series of statements and questions from BOG members followed including:

Mr. Artman stated that whatever direction we pursue, we will still have spent \$80k for the ABM energy audit. Mr. Altmeyer asked "If the State paid for Sightlines, why did we need another audit?" Mr. Sayre responded that we didn't feel the State's report was sufficiently detailed in that it was a paper process driven mostly by equipment purchase dates and maintenance records. The second audit by ABM included onsite equipment inspections and testing by qualified HVAC technicians that lasted three weeks.

Mr. Altmeyer asked if the intent was to proceed with ABM as a guaranteed energy saving investment. Mr. Sayre stated yes - that was our initial intent, but that it would have cost us to engage any architect or contractor to provide the detailed level of analysis that ABM provided in their audit.

Mr. Artman asked Mr. Sayre about proceeding with ABM without coming back to the Board for approval. Mr. Sayre responded that current policy is that there is not an official process for the Board to be involved in the approving of contracts. Mr. Sayre stated that after the May or June meeting, he went back to ABM and told them that the repair and fixing was the only thing they were to do – there would not be any "guaranteed energy savings".

Ms. Thomas stated that she believed there is consensus that we need to address our HVAC issues.

Mr. Barnabei asked about the possibility of a local firm, like H.E. Neumann, doing this work. Mr. Sayre responded that ABM would use subcontractors and that local companies could include firms like H. E. Neumann and others.

Mr. Barnabei asked how we could go from concerns expressed by Mr. Artman and himself about using these energy audit companies to Mr. Sayre proceeding and signing a contract for \$80K. Mr. Sayre stated that he was initially looking at it as an energy audit and guaranteed savings, but after the Board expressed concern he abandoned the guaranteed energy savings which appeared to be the part that concerned the Board. Mr. Barnabei repeated he doesn't understand how this was done after concerns were expressed.

Mr. Artman asked about the ITC building not having controls. Mr. Sayre responded that there were challenges with communication between HVAC units in the ITC building during construction but those issues have been resolved.

Mr. Sayre stated that he listened to the Board. He feels there is good information from Sightlines and the ABM audit to proceed with an RFP to do the HVAC repairs and upgraded our controls. Ms. Thomas asked Mr. Sayre if the Board could see the specifics on the cost savings propose by ABM.

Mr. Barnabei stated that we probably could have saved \$80K by just going with H.E. Neumann. Ms. Marker explained that ABM performs as a general contractor and that they did bid the work here locally. ABM functions more like project managers. Ms. Thomas stated that the local AMB office is out of Canonsburg, PA. Mr. Sayre stated that Moutainaire, which is a local firm, probably could not handle our workload.

Mr. Altmeyer stated that there is no way to recoup \$80K at this point. Mr. Sayre stated that if we proceed with ABM for the two million threshold, we would save \$80K.

Mr. Barnabei suggested bidding it out. Mr. Altmeyer asked if Rich Donovan who works with the state and other community college's had any experience with ABM. Mr. Sayre stated that he wasn't sure. Mr. Sayre stated that their report allows for seasonal temperature changes. He also mentioned that they charge \$15K a year to make sure equipment is being serviced properly.

There was some discussion on whether to bid it out and then reevaluate the controls. Mr. Artman stated that our capital project approval process is too loose. There needs to be an administrative policy for spending levels that specifies who has authority for purchases and at what level.

Mr. Sayre stated that we could bid it out individually or altogether. Dr. Mosser stated that he would prefer that it be all done together for efficiency and cohesiveness and to avoid multiple contractors blaming each other when something doesn't work properly.

Ms. Thomas asked for more specific information from ABM and Ms. Marker replied that we have not received it yet. They still have to invoice us. Mr. Barnabei stated that he would not pay \$80K until we see a report.

Mr. Artman suggested going back to ABM and have conversations with them that if we use them, the \$80K gets built into their contract price. If we don't use them, we just pay them off. Mr. Sayre stated that the ABM document has to be in hand before payment is made.

Ms. Thomas suggested looking at resolutions in place and seeing if any changes need to be made to improve processes. Mr. Sayre replied that the current purchasing policy does not trigger Board involvement at any level. He can currently sign off on a million dollar check. He reiterated that there needs to be an escalating policy that involves the president and board for major purchases.

Mr. Altmeyer made a motion that the Board table this issue until the January 2020 meeting. Mr. Artman seconded the motion. Motion carried.

Mr. Artman made a motion that the Board charge Dr. Mosser and Mr. Sayre with providing recommended language for revision of our purchasing rule prior to the January BOG meeting. Mr. Kefauver seconded the motion. Motion carried.

Adjournment

The meeting adjourned at 12:11 p.m.

Minutes respectfully submitted by,

Minutes approved by,

Stephanie Kappel
Assistant to the President

Larry Lemon
Board of Governors Secretary