The August 19, 2011, Commission meeting was called to order by Commission Chair Wendy Sweeny at Sheridan College, Sheridan, Wyoming.

Commissioners present: Chairwoman Wendy Sweeny, Commissioners Larry Atwell, Charlene Bodine, Bruce Brown, Saundra Meyer and Jack Russell.

Commission staff present: Executive Director Jim Rose, Deputy Director and Chief Financial Officer Matt Petry, Financial Team Manager Larry Buchholtz, Programs Team Manager Joe McCann and Commission Liaison Gail Anderson.

A roll call was taken. A quorum was present. Due notice had been published.

Chairwoman Sweeny asked for introductions, welcomed visitors and called the meeting to order.

**Motion:** Commissioner Brown moved and Commissioner Atwell seconded the motion modifying the agenda to discuss the Capital Construction Budget first, the Exception Budget second, and the Standard Budget third. Motion passed.

**CONSIDERATION OF 2013/2014 CAPITAL CONSTRUCTION REQUEST**

Commission Chair Wendy Sweeny explained that the process we are utilizing to prioritize capital construction projects is new. The group will not be debating the process itself, but will focus instead on the results of the capcon model. She asked the presidents to provide a brief presentation on each of their projects. As Chair of the Presidents’ Council, President Leach first gave a powerpoint presentation describing how the college presidents worked together to establish a priority list. Major considerations discussed by the presidents included (1) statewide investment in community colleges; (2) growing focus on community college education at the national level; and (3) student completion initiatives at the national and local levels. The University of Wyoming, she said, is considering raising admission standards, which will have an impact on community colleges. Additionally, UW will be submitting an $84 million facilities request to the legislature. The projects requested by the community colleges have been in master plans for many years, and the presidents now believe the time is right to request state funding. After President Leach’s presentation, each president briefly described their individual college’s capcon requests.
At the end of the individual reports, President Leach reiterated that the presidents were in agreement that the Commission should put forward a capital construction request for the full $89,433,359. After considering the prioritization results of the model, however, the Presidents’ Council recommended a different priority listing. President Leach distributed the Council’s ranking of capital construction projects, which are attached to these minutes.

Chairwoman Sweeny introduced Representative Rosie Berger, Co-Chair of the Joint Appropriations Committee and thanked her for coming to the Commission meeting. Representative Berger said she was encouraged to see that the colleges are working together to identify their needs, and she looks forward to working with the group in the upcoming session.

Chairwoman Sweeny opened the floor to commissioners’ questions.

Commissioner Atwell asked:

- if the Presidents’ Council had shared their priority rankings with the trustees. Trustee Sherri Lovercheck responded that the trustees unanimously endorsed the presidents’ recommendation at their meeting this morning.
- if facility usage by outside entities was considered by the model. Larry Buchholtz responded that there had been some changes made to the model after the meeting in Powell. Additional data was collected through the IR committee to reflect additional usage.
- if the state previously funded any capital construction projects that are outside the community college district. Dr. Rose responded that in the facility inventory, some facilities are in the outlying area. If the facility is owned by the district, it is subject to major maintenance regardless of its location. In terms of actual construction, he does not believe that any facilities were constructed outside a district with state dollars. The Technical Education Center in Gillette is one exception, but the exceptions are very rare.

Commissioner Atwell also expressed some concern that if the Commission includes residence halls, it is indirectly supporting the competitive position between the colleges, because the college with the most residence halls can attract the most students.

Commissioner Russell commented that what the community colleges are offering does not synchronize with anticipated job openings. For instance, it is estimated that there will be 250 agricultural management jobs in the next ten years. That means there will be 25 jobs each year, but the colleges are producing more than that. In welding, it is expected that there will be 182 new welding jobs, which is only 18 each year. He said he appreciated that the presidents are working together, and have submitted an alternate priority of projects and will accept the list as an additional piece of information, but he also believes that more work needs to be done in determining best practices, so when we make decisions about capcon projects, the approach is more holistic and forward-thinking.

Commissioner Bodine stressed the importance of being a unified group moving forward. She said the colleges should total the number of students and use those numbers when they approach the legislature. The total student body is very large. She asked if there had been a change regarding resident halls, because it was her understanding that residence halls had to be self-supporting. President Young of NWCCD responded that with current construction costs, it is much harder to amortize costs, especially if we are trying to provide access. Dr. Rose added that the University of
Wyoming historically did not ask for state funding for residence halls, but in 2010 they came forward with a request to use state dollars for renovation of a residence hall. He said that putting together a request for a residence hall is different because of the revenue they generate. Recently, residence halls have been exempted from major maintenance.

Commissioner Meyer cautioned that major maintenance will be of paramount concern for the legislature, because it represents sustained funding. Although there may be a surplus available, the legislature will consider the surplus as one-time funding, but it will be cognizant of the continuing obligation of major maintenance costs. She also asked what the real need was of having a Higher Education Building in Cheyenne, when Laramie is only fifty miles away. President LaRowe responded that the University has had a presence in Cheyenne for a long time. President Buchanan has often recognized the number of people in Cheyenne who have not completed their degrees. He also recognizes the need for nursing, education, and business in the Cheyenne area as well. While the University has a presence in Cheyenne, it is too small.

Commissioner Brown said he thought we were in a fortunate position because we are growing. We are not talking about what to cut away from the list, we are talking about whether to present the entire list. He noted that the top seven projects represent one project from each college. He asked:

- if all the projects are in the master plans. President Leach responded that the projects represent the top need of each college, and they are there for that reason.
- if the colleges have discussed what the impact will be should the University increases its admissions standards. President Leach said that the presidents have not researched the issue, but they are closely watching the conversation. She speculated that the community colleges would see an increase of students.
- what type of business support is Casper seeing with its proposal. President Nolte responded that there is a shortage of arena-style facilities in the state. The college is basing its need primarily on the experience of the Nichols Auditorium, which garnered support from the trucking and diesel-related industry.
- what type of business support is Torrington seeing with its proposal. President Armstrong said the facility in Douglas will help meet the needs of growing business and industry in Douglas, and growth is expected in the number of agriculture operations in Goshen County.

Chairwoman Sweeny asked:

- if only two classrooms in Casper’s Agricultural Center is enough. She said that her concern was based on the historical precedent that facilities have been built too small and follow up requests come in later asking for expansion. President Nolte responded that two classrooms at the center will be sufficient because original space, including classrooms, on the actual campus will still be assigned to the Agriculture Department.
- why Eastern Wyoming College was asking for eighty percent state funding. President Armstrong said that raising even twenty percent may be a reach for EWC. He said that assessed valuation in Goshen County is very low, and there is no foundation in Douglas to help raise funds.
- how will funding be shared with the University for LCCC’s Higher Education Center. President LaRowe explained that UW will submit to the legislature a simultaneous request for 50% of the facility cost.
CONSIDERATION OF 2013-14 EXCEPTION REQUEST

Matt Petry walked Commissioners through the Exception Budget Request. He said the order in which the budgets are presented does not reflect priorities. The exception budget requests are in the same order as found in the Standard Budget. For instance, the first four exception budgets are related to State Aid in the Standard Budget. After Mr. Petry’s presentation, Chairwoman Sweeny opened the floor to commissioners’ questions.

Commissioner Atwell asked at what point do we change the base academic year from which we calculate the exception budget requests? Matt Petry explained that we are not statutorily obligated to revise the base period. The only adjustment we are required to recalibrate periodically is each college’s fixed and variable costs. He pointed out that if enrollment declined, the amount would decrease. No one knows if enrollment will decline back to the levels of 2004-05, but we are starting to see indications that the dramatic growth we have experienced recently is reversing, and current enrollment is beginning to decline. There is some danger in changing the base year to 2007-08 or 2008-09, because if enrollment dropped below the new base period, you essentially would be funding more enrollment with your standard appropriation than the colleges actually realize.

CONSIDERATION OF THE 2013-14 STANDARD BUDGET

Matt Petry walked Commissioners through the Standard Budget request. He noted that on the summary page, the Wyoming Family Literacy Program budget is included in the Administration Budget, and the GED Program budget is included in the Adult Basic Education Program budget. He also explained that the Standard Budget represents appropriations that we are currently operating under. We do not have to ask for funding. After the Commissioners approve the budget, it is forwarded to the Governor for his recommendations.

General Manager of Wyoming Public Television, Ruby Calvert presented the WPBS budget. Chairwoman Sweeny reminded the group that this budget is forwarded to the legislature through our agency, but it does not require Commission approval.

CONSIDERATION OF THE MINUTES OF PREVIOUS MEETINGS

Motion: Commissioner Russell moved and Commissioner Bodine seconded a motion to approve the minutes of June 24, 2011. Motion passed.

CONSIDERATION OF LEVEL III DESIGN BUDGET REQUEST

Jim Rose explained that the methodology we are using for capital construction funding differs significantly from the University and other state agencies. The Construction Management Division advises the State Building Commission on capital construction requests. When H.B. 114 was originally drafted, it included three positions allocated to the CMD to administer our projects. Those positions were vetoed by then Governor Freudenthal. Normally, when projects go to the State Building Commission, the CMD has input and projects are already at the Level Three Design phase, which gives much more detailed cost estimates than our projects provide. The suggestion has been made that the Commission consider bringing forth first a request for Level III Design for each project, followed by a request for necessary funding in the subsequent session. By law, the CMD is required to do value engineering and a
variety of other tasks, but they do not have the personnel to do it. Both the Governor’s Office and A & I Division have expressed concern with our coming forward directly requesting construction funding when the proposals lack detail. Historically, projects that receive Level III Design funding from the legislature have also received construction funding, but there is no guarantee. Dr. Rose noted that the amounts for the design fees that the colleges provided are in the far right column of the spreadsheet provided in the packets. The Commission may choose to request the full construction amount, or request Level III Design funding.

**ACTIONS FROM CONSIDERATION OF 2013-14 EXCEPTION BUDGET REQUEST**

Jim Rose forwarded the priority ranking from the presidents for the exception budgets as follows. He added that staff concurred with the ranking.

1. State Funding for variable costs for enrollment growth to date with or without annual ECA
2. ECA with fixed costs
3. ECA for variable costs for base enrollment period
4. New administrative computing platform
   [Remainder of the budgets are approvable in the order listed.]

Chairwoman Sweeny asked Commissioners to share their thoughts on the Exception Budget requests prior to voting.

Commissioner Atwell said he concurred with the presidents’ recommendations.

Commissioner Russell provided his ranking, and explained that he prioritized at the top of the list those projects he thinks will go forward easily.

Commissioner Bodine provided her ranking, which concurred with the presidents’ recommendation, but listed veterans’ funding above the nursing investment program.

Commissioner Meyer provided her list, noting that she gave importance to technology requests. She said she thought it was very important to keep up our technology, and state agencies are outdated. The state computers do not talk to each other, and the legislature needs accurate reporting in order to make sound decisions.

Commissioner Brown provided his list without additional comment.

Commissioners submitted their spreadsheets for staff to tally, and the final results were announced as follows:

1. State funding for variable costs for enrollment growth to date with or without ECA
2. ECA for fixed costs
3. ECA for variable costs for base enrollment period
4. New administrative platform
5. Veterans’ Tuition Waiver Program
6. Wyoming Investment in Nursing Program
7. Replacement of Commission staff hardware and software
8. Wyoming Family Literacy Program
9. Additional health insurance funding for increases in college staff
10. State funding for future enrollment growth with or without ECA
11. Special purpose funding for new programs addressing unanticipated and emerging statewide needs.
12. Increased retirement contributions resulting from projected growth in college staff and pay raises

**Motion:** Commissioner Atwell moved and Commissioner Bodine seconded a motion to accept the priority list as tallied. Motion passed.

**ACTIONS FROM CONSIDERATION OF 2013-14 STANDARD BUDGET**

**Motion:** Commissioner Atwell moved and Commissioner Meyer seconded a motion to approve the Standard Budget Request as submitted. Motion passed.

**Motion:** Commissioner Atwell moved and Commissioner Bodine seconded a motion to approve the WPBS budget. Motion passed.

**CONSIDERATION OF CAPITAL CONSTRUCTION CHANGE BY CASPER COLLEGE**

President Nolte explained that the college purchased 125 modular units for residence halls a few years ago and was very pleased with the outcome. As a result, the college awarded a bid to the same company for a modular structure for the Early Childhood Center over a year ago. Since then, the company changed ownership and negotiations have broken down. The decision has been made to stick-build the building. It is not anticipated that costs will exceed the amount that was previously approved, but because this is the Commission’s last meeting before construction begins, we are requesting the increase as described in the documents. Commissioner Russell commented that this situation justifies the request for Level III Design before asking for state resources. In this case, the increased funding may or may not be used.

**Motion:** Commissioner Atwell moved and Commissioner Meyer seconded a motion to approve the capital construction change request as presented by Casper College. Motion passed.

**CONSIDERATION OF CAPITAL CONSTRUCTION FOR AUTHORIZATION ONLY**

Chairwoman Sweeny asked each of the presidents to present their capital construction projects for authorization only. Presentations were made by (1) President Nolte for the lower campus infrastructure; (2) President Armstrong for a data, voice and emergency alert network; (3) President Young for parking lot, road and sidewalk improvements; and (4) President Leach for a workforce training facility.

Commissioner Meyer asked if there were monies available to communities for an emergency alert network. President Armstrong said the college’s emergency network would be used as a back-up system in the event that the community system failed. Jim Rose explained that this particular request was an anomaly. It is really an upgrade of infrastructure and does not fit the definition of a capital construction project. Larry Buchholtz added that two other options exist: (1) EWC could ask a legislator to seek funding on their behalf; or (2) the Commission could include the project in the Exception Budget Request, rather than the Capital Construction Request. Matt Petry cautioned that the other colleges probably have infrastructure projects, and if an exception request is made for one college, it would only be fair to open it up to other colleges. Commissioner Atwell said he felt uncomfortable approving the project as a capcon project even for authorization, in light of the fact that it does not fit the model or
Jim Rose said that after further reflection, he was not sure whether the first three projects qualify for what the Commission’s consideration mandates are, because none of the projects meet the test of being construction, renovation and renewal. Parking lots, sidewalks and utilities are not included in valuation for the calculation of major maintenance; therefore, the state does not have an interest in whether the colleges do the projects or not.

**Motion:** Commissioner Atwell moved and Commissioner Brown seconded a motion to authorize WWCC’s Workforce Training Facility, and that the first three projects do not require action (Lower Campus Infrastructure, Data/Voice and Emergency Alert Network, Parking Lot/Road and Sidewalk Improvement). Motion passed with the understanding that staff will request an informal opinion from the Attorney General, and if the opinion requires it, the issue will be brought back to the Commission in a timely manner.

**ACTIONS FROM CONSIDERATION OF 2013-14 CAPITAL CONSTRUCTION REQUEST**

**Motion:** Commissioner Bodine moved and Commissioner Atwell seconded a motion to approve the capcon model’s ranking of projects as presented in the packets and to send the entire list to the legislature. Commissioner Atwell said that he appreciated the difficulty of looking at the list of projects and trying to figure out what to do, but the legislature asked us to put together a process. He said the presidents’ work is admirable, but this is our first time through the process we developed, and it would be best to stay as close to the process as possible without making adjustments. Commissioner Bodine agreed and asked all colleges to support the request as a united front. Commissioner Brown said he would vote no on the motion because he feels the ranking needs more discussion. Commissioner Russell said he would also vote no on the motion because he does not believe there was enough time to polish the model. Commissioner Meyer said that the legislature has been asking for a data-driven process. If we do not have a data base to show why a decision was made, we will have less chance of getting anything through the Appropriations Committee. The committee is demanding, and you have to prove your case. President Leach reiterated that the presidents are in agreement with the ranking they presented. Trustee Lovercheck said she thought the model has serious flaws and is particularly harmful to EWC. She asked the Commission to reconsider the presidents’ recommendation.

Chairwoman Sweeny said that no matter what system we put out there, the first question that will be asked is, “How did you get to your ranking?” If we can say, “We used the model that your CIO gave us permission for, we used Paulien & Associates, we did the homework, we got the data from all of our presidents, we discussed it, and this is what it is,” we will be in a stronger position.

Chairwoman Sweeny called for the vote. Motion carried with a 4-2 vote. The approved ranking for capital construction projects is as follows:

1. CC – Agriculture/Rodeo Complex
2. CWC – Equine Center
3. WWCC – Wellness/Athletic/Math & Sciences Facility Expansion
4. CWC – Academic Space Improvements
5. NWCCD – Thorne Rider Student Center Remodel
6. LCCC – Center for Higher Education and Community Learning
7. NWCCD – Gillette College Student Center
8. WWCC – Western Education Center
9. CWC – Lander Center Improvements and Expansion
10. EWC – Douglas Outreach Center
11. NWC – Yellowstone Academic/Workforce Training Building
12. EWC – Lancer Residence Hall Addition
13. EWC – Large Animal and Agriculture Facility
14. CWC – SSC Improvements and Expansion

RECESS TO EXECUTIVE SESSION

Motion: Commissioner Atwell moved and Commissioner Russell seconded a motion to enter into Executive Session. Motion passed.

REPORTABLE INFORMATION (IF ANY) FROM EXECUTIVE SESSION

The executive session was delayed until 5:25 p.m. on August 19, 2011, while Trustee Rick LaPlante presented a power point to the general body and the Commissioners.

The executive session was called to order at 5:25 p.m. Those present were Jack Russell, Larry Atwell, Saundra Meyer, Bruce Brown, Charlene Bodine, and Wendy Press Sweeny, Chair. Dr. Rose was called into the Executive Session at approximately 6:30 p.m. to address personnel issues. No action was taken in executive session.

Commissioner Bodine moved to come out of executive session at 7:20 p.m. This motion was seconded by Commissioner Russell. Motion passed unanimously.

The Commission meeting reconvened at 7:30 p.m. Commissioner Meyer made a motion to continue the employment of Dr. Jim Rose with a salary increase recommendation to be made to the Governor. Commissioner Atwell seconded the motion. The motion passed unanimously.

Commissioner Bodine moved to adjourn the Commission meeting at 7:35 p.m. on August 19, 2011. Commissioner Atwell seconded the motion. The motion passed unanimously.

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Wendy Press Sweeny, Chair               Date                       Jim Rose                                        Date
Commission Chair                                      Commission Executive Director