

KIRTLAND COMMUNITY COLLEGE
Board of Trustees Special Meeting Minutes
May 13, 2021

Date: Thursday, May 13, 2021
Time: 7:00 p.m.
Location: Roscommon Campus

Type: Special Meeting
Notice Provided in Advance: Yes
Quorum: Satisfied (minimum of four required)

Present: **Mary Ann Ferrigan, Chairman**
Jack Kramer, Vice Chair
Ed Pearen, Secretary
Tom Ritter, Trustee
Roy Spangler, Trustee
Amy Knepp, Trustee
Alan Bruder, Trustee

Kirtland Community College Guest:
Dr. Tom Quinn – President – via Zoom
Matt Biermann – IT staff
Dr. Amy Fugate
Chris Bowman
Gina Moya – via Zoom
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I. ROUTINE

- Call to Order: 7:00 p.m. by Chairperson MaryAnn Ferrigan
- Mission and Vision Statement - To provide innovative educational opportunities to enhance student lives and build stronger communities. Kirtland will be the first choice for learner-centered education, guiding students and communities toward success.
- Roll Call –All board members were present in person.

II. Sale of the Roscommon Campus

- Chairperson MaryAnn Ferrigan reviewed the steps with the board that initiated the sale of the Roscommon campus.
 - March 2021 – Board members voted to sign a Letter of Understanding (LOU) with the company Prime Rock for the sale of the Roscommon campus - the amount of \$500k. The vote was not unanimous.
 - April 12-13 – Prime Rock representatives visited the Roscommon Campus
 - March 10 – Board met to discuss the sale of Roscommon campus
 - March 2021 – Received a letter from the tower company with an offer of \$415k for a perpetual lease of property; negotiations continue with Prime Rock.
 - The property was marketed with the lease on the property. Prime Rock expected to buy the property with the lease
 - Board members also had a retreat to discuss the sale of the Roscommon campus

Chairperson Ferrigan asked the Kirtland staff that were present for their thoughts regarding the option to sell campus or not sell campus.

- Chris Bowman, VP of Business Services - Discussed the college's cash flow regarding the sale of the campus; it is in Kirtland's best interest to sell as \$370k is allocated towards the maintenance of the Roscommon campus. Also discussed was the maintenance risk associated with the campus if we walk away from this offer. Recommends taking offer for \$500k.
- Chairperson Ferrigan and other board members discussed the commission rate and other associated costs and fees, the cost of splitting off the water system, public opinion regarding the sale of the property, and Kirtland's intentions towards selling the tower lease on the property.
- Dr. Amy Fugate, VP of Academic Services, discussed her past experience with school organization's emotional ties to property and her thoughts about selling the campus.
- Trustee Spangler further discussed the tower lease on the property, Prime Rock's time frame to complete the sale or walking away from this offer. Trustee Spangler suggests taking

\$415k, keeping the lease, and advertise property or put property up for bid. Also discussed were safety and hazardous issues that may be associated with the property.

- Dr. Quinn informed the Board members that Prime Rock might only be offering approximately \$400k as of this point.
- Chairperson Ferrigan informed the members that Kirtland's attorneys have a purchase offer from Prime Rock, Kirtland's attorneys are reviewing, and Prime Rock is waiting on Kirtland's counter offer.
- Vice-Chairman Kramer discussed the LOU signed in March and its expiration date. He suggests property be placed back on the market. He also asked questions regarding property being replaced on the market. Chairperson Ferrigan informed the members that the property is still listed on the market. Further discussion ensued regarding the listing price of the property, property value, and difficulties encountered because of the uniqueness of the property.
- Matt Biermann, Director of IT, discussed Global Power and another power company's inquiry on the purchase of the tower. Matt is following up. Also discussed was the current use of the tower. Further discussion ensued regarding the revenue coming in from the lease of the tower.
- Trustee Bruder suggests accepting the current offer and gave other suggestions regarding the buyer - such as opening an endowment fund in their name after five years. Trustee Knepp agreed with Trustee Bruder.
- Chairperson Ferrigan suggests giving Prime Rock a five-year cash flow on the lease in advance and offers the property for \$320k - Kirtland keeps the lease on the tower and then sells the tower. Trustee Spangler further suggests Prime Rock has 30 days to accept offer. Discussion ensued on the amount of time the attorney will take to draft an offer. Trustee Kramer suggests the offer includes the property is sold "as is."
- Dr. Quinn suggests to the board members that they have three options – 1) Do nothing, 2) Accept the offer, or 3) Make a counter offer. Dr. Quinn further discussed the possible problems associated with putting the property up for sale by sealed bid. Discussions ensued regarding a sealed bid sale.

Motion by Vice-Chairman Kramer: Move to make a counteroffer to sell the property for \$320k; we keep the lease to the tower, 45 days due diligence, close in 45 days. Discussion ensued regarding property, tower, and easement. Seconded by Trustee Knepp. Further discussion ensued regarding the closing date. Roll Call vote; Motion carries without descent.

Motion by Trustee Spangler: Moved to put a five-day limit on acceptance of the counteroffer and seconded by Trustee Kramer. Motion carries without descent.

- Dr. Fugate discussed the Police Academy graduation; all students passed. Surge Tech and Cosmetology also had 100 percent passing, HVAC instructor has been hired. We are currently looking for an electrical instructor.
- Chris Bowman gave an update on the Biggby's sales and ticket rates.

III. ADJOURNMENT

With no further business to discuss, Madam Chairperson Ferrigan adjourned the meeting at 8:21 p.m.

Minutes submitted by:
Gina Moya

Adopted by the Board during the meeting on:

Date

/s/

President's Signature