



BOARD HIGHLIGHTS

Board of Trustees • Betsy Bechtel • Pearl Cheng • Laura Casas Frier • Hal Plotkin • Bruce Swenson • Patrick Ahrens • Constance Dukunde

Board meeting of Jan. 8, 2009

REPORTS AND HEARINGS OF ITEMS NOT ON THE AGENDA

Board President **Laura Casas Frier** announced the following committee appointments: **Bruce Swenson** and newly appointed Trustee **Pearl Cheng** will serve as the board's liaisons to the Foothill-De Anza Foundation; **Betsy Bechtel** and Cheng will serve on the Trustees Scholarship Committee; Cheng will represent the board on the Santa Clara County Committee on School Reorganization; and Bechtel and **Hal Plotkin** will serve on the Audit and Finance Committee.

Casas Frier reported that she will miss the Jan. 20 board meeting because she plans to be at the inauguration of President-elect Barack Obama.

INFORMATIONAL ITEMS

District participation at NASA Research Park: Vice Chancellor of Business Services **Andy Dunn** and **John Shupe**, legal counsel for the district, presented a status report on efforts to complete an operating agreement related to development of a public-private academic/research community at NASA Research Park. The agreement would govern the operation of a limited liability corporation (LLC) that includes the **University of California-Santa Cruz** as managing partner, Foothill-De Anza, **Santa Clara University** and **Carnegie Mellon University**.

The development would take place on 75 acres of government-owned land and would include research and teaching laboratories, shared classrooms and housing at the NASA Research Park, on property that was part of the Naval Air Station at Moffett Field before it was decommissioned. The partners envision joint academic initiatives in science, engineering and management with a special focus on green-tech, clean-tech innovation. The partners would finance the planning stage, but the expectation is that, as early as this summer, a master developer would step in and assume most of the costs.

Foothill-De Anza has proposed amendments to the proposed operating agreement that would additionally protect the district's interests and Shupe told trustees that the University of California appears willing to accept to them.

Cost to the district to participate in the LLC is estimated at \$220,000 in 2009, plus ground-lease costs. Some \$120,000 would be funded through the district's Measure C bond, which includes funds for off-site expansion approved by voters in June 2006. The Measure C funds would cover costs of professional services for architects, engineers and environmental specialists. Additionally, \$80,000 in estimated administrative costs would be paid annually with non-Measure C funds, and Chancellor **Martha Kanter** said she would work at fund-raising that amount if necessary. The district's share of cost for the annual ground lease with NASA is \$360,000, but these costs can be deferred and are expected to be assumed by the master developer, according to Shupe.

When asked about who will serve on the governing board that will oversee the LLC's master planning, Chancellor Kanter said she expects to appoint Dunn and **Charles Allen**, the district's executive director of facilities, operations and construction management.

Trustee Bechtel asked how the board would be able to make major policy decisions regarding the NASA project if trustees do not serve on the LLC board. Dunn said there is a precedent, and noted that staff represents the district on the Retiree Benefits Liability Joint Powers Authority and has a process for reporting to trustees. He said he and Allen would report regularly to the board on activities of the LLC and seek direction on policy matters.

Trustee Casas Frier expressed concern about environmental conditions, noting that Moffett Field is a known federal Superfund site. Allen said a major environment assessment already has been done for NASA's development plan, of which the academic/research community is a part, and that clean up efforts already are under way through the U.S. Environmental Protection Agency's Superfund program, under NASA's supervision. In addition, Allen explained that the final development proposal for the academic/research community would receive a complete review in accordance with the California Environmental Quality Act.

Trustee Swenson asked how lease payments would be covered if they weren't picked up by the master developer, and noted that Measure C money could not be used. Trustee Plotkin said the board likely would know very soon whether the proposed project is economically viable and said he also is not interested in picking up lease payments for a prolonged period.

However, Plotkin said, the development at NASA could turn out to be an outstanding strategic move for the district and provide a major revenue source for years to come.

The board has delegated authority to the chancellor to sign the operating agreement, and Shupe said it should be completed within several weeks. A major review of the economic viability of the project is scheduled over the summer of 2009. Shupe said the board would have an opportunity to withdraw from the LLC at that time if the project doesn't seem to work for the district.

NEXT MEETING

The next regularly scheduled meeting of the Board of Trustees is Tuesday, Jan. 20, 2009, in Hinson Campus Center, Conference Room B, at De Anza College. A study session is scheduled at 1:30 p.m., followed by a reception for recently seated Trustee Pearl Cheng at 5:30 p.m. and a public session at 6 p.m. The agenda is posted at http://www.fhda.edu/about_us/board/agenda

Board Highlights is designed to communicate board meeting news to faculty and staff across the district. This publication is not the official minutes. If you would like more comprehensive information, you may visit http://www.fhda.edu/about_us/board/minutes to read the minutes, generally available after approval at the subsequent board meeting. Please contact Becky Bartindale at the above e-mail address or at extension 6107 with comments or questions about *Board Highlights*.