

2. Consideration of Approval of the Order Calling Trustee and Bond Election and to Appoint a Staff Agent for the Board Secretary to Perform the Election Duties (ACTION ITEM 2): Dr. Pickelman reported the recommendations being presented to the Board regarding the Bond election are based on a nine month study. The Master Planning project was a professional, inclusive and thorough examination of two things. First was an assessment of the District's current facilities, making sure that in the future we did not get into a spiral of deferred maintenance. Second was a study to determine future facility needs to accommodate increased student enrollment and new programs. Faculty and staff were involved in identifying the needs of the District. Space utilization studies were conducted, enrollment projections were developed based upon population growth and recommendations were made. It was important to involve the community; therefore, the District conducted seven community advisory groups representing each of the colleges, a district-wide advisory group and the District's ISD superintendents and their board of trustees to present the proposed plan. Input from the groups included increasing the \$6.5 million for contingency costs in anticipation of rising construction cost. Community leaders in Kingwood felt there were some unmet needs in the area of the performing arts facility, which was not in the recommendation because it was part of Phase II. Kingwood's theater capacity is approximately 175 and restricts the offering of cultural events and in holding events such as a pinning ceremony for graduating nurses. There was very positive feedback on the financials, especially because the District was able to structure the financing of this bond referendum without an increase in the debt service tax rate. The amount recommended in the agenda was \$237.6 million, but on the basis of the feedback that was received from the groups, Dr. Pickelman proposed for the Board's consideration that the Kingwood College theater project be moved from Phase II to Phase I. The projected cost will be \$9 million, increasing Kingwood College's total estimated costs to \$35.5 million. In addition, Dr. Pickelman recommended that an increase in the contingency be considered in the amount of \$3 million for a total of \$9.5 million. This would require an increase to the total authorization from \$237.6 million to \$249.6 million. Dr. Pickelman stated that the District has been assured by our financial advisors that, with the structuring of the debt, there would be no increase in the debt service tax rate over the life of the bonds to add the additional \$12 million.

Dr. Campbell, Mr. Fox, Mr. Bates and Mr. Vogt reported on the feedback from the community advisory meetings in which they participated.

Mr. Vogt made a motion to amend the election order calling for the Trustee and Bond Election by increasing the amount of the proposed bond authorization from \$237.6 million to \$249.6 million. Mr. Bates seconded the motion and the Board unanimously adopted the amendment to the order calling for the Trustee and Bond Election which will add an additional \$12 million to the referendum including \$3 million added to the contingency costs and \$9 million added to move the Kingwood College theater project from Phase II to Phase I.

Dr. Campbell then made a motion to approve the amended election order and after a second to the motion by Ms. Marquard, the Board unanimously approved the order