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**THOMAS EDISON STATE COLLEGE
BOARD OF TRUSTEES MEETING**

March 1, 2013

**10:00 am
Via Teleconference**

MEMBERS PRESENT: Eric Lear, Chairman; Gualberto Medina, Vice-Chairman; George Pruitt; Fred Abbate; Richard Arndt; Ida Hammond; J. Stanley Justice; Brian Maloney; E. Harvey Myers; and Marilyn Pearson

MEMBERS ABSENT: Valerie Sampson (student trustee); Cynthia Diogo (student trustee)

ALSO PRESENT: Christopher Stringer, Vice President for Administration and Finance; Robin Walton, Vice President for Government and Community Affairs; William Seaton, Vice President and Provost; John Thurber, Vice President for Public Affairs; Barbara Kleva, General Counsel; Linda Meehan, Chief of Staff; Esther H. Paist, Secretary to the Board of Trustees.

The meeting was duly called to order at 10:00 a.m.

PRESIDENT'S REMARKS

Dr. Pruitt reported that the Governor's Budget message has been delivered, and that, as a result of the restoration of \$1.7m to our appropriation, we will have money to fund leases such that we will now have control all of our own facilities and change the nature of our lease agreements for our buildings on Hanover Street. However, the budget must still be approved by the legislature.

He also explained that today's special meeting was called to consider resolutions pertaining to College facilities. There is a resolution to adopt the College's Facilities Master Plan, as well as a resolution authorizing the College to purchase property at the Glen Cairn Arms site. Other resolutions pertain to Board approval of the submission of applications for bond funding to the following funding entities: Building Our Future Bond to fund the construction of a Nursing Education Center on the Glen Cairn Arms site; Capital Improvement Fund to fund the acquisition and renovation of the NJBIA building for the College's Center for Learning and Technology; Capital Improvement Fund to fund renovations in the Kelsey and Townhouse complex; and Equipment Leasing

Fund to fund the purchase of equipment for the School of Nursing's patient simulation lab. Dr. Pruitt pointed out that all of these resolutions were thoroughly vetted by the Administration, Audit, and Finance committee in February and that the committee members were in agreement that all of the resolutions were worthy of approval by the full Board. Mr. Medina, chairman of the Administration, Audit, and Finance committee, affirmed this. Dr. Pruitt also pointed out that some of the wording in the resolutions was recently changed in response to requirements imposed by a template issued in the funding regulations and guidelines. Such revisions are not substantive, however. These revised resolutions are what the Board has in hand today.

Dr. Pruitt went on to say that preparations for submission of the applications for the various grants are moving quickly. Regulations and guidelines for filing applications were promulgated late in February, and the applications may be submitted beginning today, March 1st. We will be submitting our application for funding from the Building Our Future bond today, pending Board approval. The other applications will be submitted by March 11th, also pending Board approval. Funding decisions will be made by the end of May, projects will be selected, and the legislature will have another 30 days to veto any project. The likelihood of veto for our projects is small.

The College has worked hard in negotiations with the City of Trenton to secure the Glen Cairn Arms site for our proposed Nursing Education Center. There were some complications with this, but all have been overcome. We mounted a quasi-political campaign to get local and community support for the project, and the City Council voted in favor of the project 5 to 2. Mr. Stringer and his team have done an extraordinary job of managing the entire acquisition process. Dr. Pruitt also praised Ms. Walton and Rev. Justice for their efforts in this campaign. He then explained the process that must ensue after the funding is awarded, in terms of getting construction permits, etc., for the new facilities work. Completion of all projects should occur during the next two years.

CONSIDERATION OF ADOPTION OF FACILITIES MASTER PLAN

Mr. Medina presented the following resolution to the full Board:

- WHEREAS:** The Board of Trustees passed a resolution on March 2, 2012, authorizing a bid waiver for the engagement of a firm to develop a Facilities Master Plan for Thomas Edison State College; and
- WHEREAS:** It was determined that Thomas Edison State College would benefit from an assessment of its current physical facilities that projects the impact of future growth in numbers of students and staff on the College's campus; and
- WHEREAS:** The Board has reviewed the Facilities Master Plan developed by the firm; and
- WHEREAS:** The Board of Trustees agrees with the assessment and analysis of Thomas Edison State College's facilities needs as delineated in its Facilities Master Plan; and
- WHEREAS:** The Board of Trustees concurs with recommendations in Thomas Edison State College's Facilities Master Plan; now, therefore, be it

RESOLVED: That the Board of Trustees of Thomas Edison State College does hereby approve Thomas Edison State College's Facilities Master Plan dated December 14, 2012.

Mr. Medina made, and Mr. Arndt seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF PURCHASE OF REAL PROPERTY

Mr. Medina presented the resolution below to the full Board. In the discussion that followed that presentation, Mr. Arndt asked whether the College's purchase of the Glen Cairn Arms site and the NJBIA building is contingent on the College's being awarded grant funding. Dr. Pruitt explained that neither purchase is contingent on the award of grant funding. However, bond money will be used for the actual construction of the Nursing Education Center and Capital Improvement Fund money will be used for renovations to the NJBIA building, and if we do not get funding, we would have to go back to the drawing board and consider having a capital campaign to raise the funds and also re-examine our debt capacity. All of this would, of course be the subject of lengthy discussion with the full Board in the event of our being denied funding.

WHEREAS: New Jersey law, N.J.S.A. 18A:64-6(q), authorizes the Board of Trustees of Thomas Edison State College to purchase real property which is necessary or desirable for college purposes; and

WHEREAS: N.J.S.A. 18A:64-7 empowers the Board of Trustees to exercise the powers, rights and privileges that are incident to the proper management of the College; and

WHEREAS: The Trenton City Council approved an Ordinance on February 7, 2013, authorizing the City to negotiate the transfer of the former Glen Cairn Arms site, located at 301 West State Street, designated as Block 2401, lot 1 on the tax maps of the City of Trenton ("Property"), to the College; and

WHEREAS: The Ordinance also designated the College as the exclusive developer of the Property for a period of one year, to allow for a negotiated agreement; and

WHEREAS: The College plans to negotiate a disposition agreement with the City of Trenton to purchase the Property for \$1 and make a one-time mitigation payment of \$300,000 to acquire the property; and

WHEREAS: The City has estimated that the demolition of the existing buildings and remediation of the site would cost the College approximately \$1.4 million; and

WHEREAS: The College Facilities Master Plan details the need for a new Nursing Education Center to be built on the aforementioned site; and

WHEREAS: The College plans to build the Nursing Education Center if funding becomes available; now, therefore, be it

RESOLVED: That the Board of Trustees hereby authorizes and directs the President, or his designee, to execute and deliver said disposition agreement, and any and all reasonable and necessary amendments thereto, and any other agreements or documents as may be necessary to purchase the Property, in accordance with the terms of the agreement, and to take such actions and execute such documents, as are necessary or appropriate to consummate the closing of said purchase of the Property, in accordance with the terms of the agreement and any amendments thereto.

Mr. Medina made, and Mr. Abbate seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF BUILDING OUR FUTURE BOND ACT APPLICATION

Mr. Medina presented the following resolution to the full Board:

WHEREAS: The Trenton City Council approved an Ordinance on February 7, 2013, to authorize the City to designate Thomas Edison State College (the "College") as the exclusive developer of the former Glen Cairn Arms site, located at 301 West State Street ("Property"), and to negotiate the transfer of the Property to the College; and

WHEREAS: Pursuant to Board of Trustees ("Board") authorization, Thomas Edison State College will negotiate and finalize a disposition agreement with the City of Trenton to acquire the Property; and

WHEREAS: The College's Facilities Master Plan details the need for a new Nursing Education Center to be built on the aforementioned site; and

WHEREAS: The Board desires to approve the undertaking, implementation and funding from Institutional reserves of a project consisting of the demolition of the Property and construction of a 35,000-square-foot Nursing Education Center, including structured parking for one hundred vehicles ("Project"); and

WHEREAS: The Board has determined that the Project will assist in serving the needs of its students and provide a benefit to the College; and

WHEREAS: The Board desires to approve the aggregate costs of the Project paid through all sources in an amount not to exceed \$16,968,000; and

WHEREAS: The Board desires to provide sufficient non-state matching funds and to pay for the operating and maintenance costs after construction is completed; and

WHEREAS: The Board desires to finance the Project through the Building Our Future Bond Act (P.L. 2012, C41) ("GO Bond Act"); and

WHEREAS: The Board wishes to approve the Application to be submitted to the Secretary of Higher Education ("Secretary") for the Project, and to designate and authorize the Vice President for Administration and

Finance or his designee to take necessary and desirable actions to undertake, implement and submit to the Secretary the Application for the Project; and

WHEREAS: The Board has approved the College's Facilities Master Plan and authorizes and directs the Vice President for Administration and Finance or his designee to include the College's Facilities Master Plan in the Application approved herein; and

WHEREAS: The Board reasonably expects to reimburse expenditures for costs of the Project paid prior to issuance of Tax-Exempt Bonds or any debt-bearing interest which is exempt from gross income for federal income tax purposes which will fund an applicable Project and/or Program; now, therefore, be it

RESOLVED by the Thomas Edison State College Board of Trustees as follows:

1. The Board approves the Project and authorizes the undertaking, implementation and financing of the Project in a maximum aggregate amount not to exceed \$16,986,000, in accordance with GO Bond funding that may be awarded to the College.
2. The Board approves the financing of the Project through the GO Bond Act. The Board approves the Application for funding of the Project through the Program and authorizes and directs the Vice President for Administration and Finance or his designee to submit such Application to the Secretary with such changes, modifications and additions as are approved by the Vice President for Administration and Finance or his designee and such changes, modifications and additions shall be conclusively evidenced by the submission of the Application to the Secretary. The Board expressly directs and authorizes the Vice President for Administration and Finance or his designee to submit the College's Facilities Master Plan in the Application for any Program for which it is required. The Board acknowledges and agrees that approval of the Application and receipt of funds pursuant to the Program will obligate the College to: (a) provide funds for the operation and maintenance of the Project, (b) contribute to the cost of the Project; (c) fulfill other conditions imposed under the Program and hereby directs and authorizes the Vice President for Administration and Finance or his designee to certify such acknowledgement and agreement as part of the submitted Application. The College is hereby authorized and directed to fulfill all conditions of the Proposed Program including without limitation providing for the operation and maintenance of the Project and using available funds of the College to pay for such operation and maintenance and to satisfy conditions of the Program to contribute to the cost of Project from available funds of the College.
3. The Board authorizes the College to use cash reserves to sufficiently finance matching funds of one-third of debt service costs for the Project.

4. All resolutions, orders and other actions of the Board in conflict with the provisions of this Resolution, to the extent of such conflict, are hereby superseded, repealed or revoked.
5. No further approvals by the Board are necessary to implement this Resolution.

Mr. Medina made, and Mr. Arndt seconded, a motion to adopt the resolution. The motion carried unanimously.

**CONSIDERATION OF HIGHER EDUCATION CAPITAL IMPROVEMENT
FUND APPLICATION—NJBIA BUILDING**

Mr. Medina presented the following resolution to the full Board:

- WHEREAS:** The Board of Trustees passed a resolution on December 14, 2012, authorizing the purchase of a building located at 102-104 West State Street, Trenton New Jersey (“Property”), for \$1,000,000; and
- WHEREAS:** The College’s Facilities Master Plan details the need for a Center of Learning and Technology to be located on the aforementioned Property; and
- WHEREAS:** The Board desires to approve the undertaking, implementation and funding from Institutional reserves of a project consisting of the acquisition and renovation of the Property (“Project”); and
- WHEREAS:** The Board has determined that the Project will assist in serving the needs of its students and provide a benefit to the College; and
- WHEREAS:** The Board desires to approve the aggregate costs of the Project paid through all sources in an amount not to exceed \$2,397,000; and
- WHEREAS:** The Board desires to provide sufficient non-state funds for the College’s portion of Capital Improvement Fund debt service and to pay for the operating and maintenance costs after construction is completed; and
- WHEREAS:** The Board desires to finance the Project through the Higher Education Fund Capital Improvement Fund Act, N.J.S.A. 18A:72A-72 et seq. (“CIF”); and
- WHEREAS:** The Board wishes to approve the Application to be submitted to the Secretary of Higher Education (“Secretary”) for the Project, and to designate and authorize the Vice President for Administration and Finance or his designee to take necessary and desirable actions to undertake, implement and submit to the Secretary the Application for the Project; and
- WHEREAS:** The Board has approved the College’s Facilities Master Plan and authorizes and directs the Vice President for Administration and Finance or his designee to include the College’s Facilities Master Plan in the Application approved herein; and

WHEREAS: The Board reasonably expects to reimburse expenditures for costs of the Project paid prior to issuance of Tax-Exempt Bonds or any debt bearing interest which is exempt from gross income for federal income tax purposes which will fund an applicable Project and/or Program; now, therefore, be it

RESOLVED by the Thomas Edison State College Board of Trustees as follows:

1. The Board approves the Project and authorizes the undertaking, implementation and financing of the Project in a maximum aggregate amount not to exceed \$2,397,000, in accordance with CIF funding that may be awarded to the College.
2. The Board approves the financing of the Project through CIF. The Board approves the Application for funding of the Project through the Program and authorizes and directs the Vice President for Administration and Finance or his designee to submit such Application to the Secretary with such changes, modifications and additions as are approved by the Vice President for Administration and Finance or his designee and such changes, modifications and additions shall be conclusively evidenced by the submission of the Application to the Secretary. The Board expressly directs and authorizes the Vice President for Administration and Finance or his designee to submit the College's Facilities Master Plan in the Application for any Program for which it is required. The Board acknowledges and agrees that approval of the Application and receipt of funds pursuant to the Program will obligate the College to: (a) provide funds for the operation and maintenance of the Project, (b) contribute to the cost of the Project; (c) fulfill other conditions imposed under the Program and hereby directs and authorizes the Vice President for Administration and Finance or his designee to certify such acknowledgement and agreement as part of the submitted Application. The College is hereby authorized and directed to fulfill all conditions of the Proposed Program including without limitation providing for the operation and maintenance of the Project and using available funds of the College to pay for such operation and maintenance and to satisfy conditions of the Program to contribute to the cost of Project from available funds of the College.
3. The Board authorizes the College to use cash reserves to sufficiently finance matching funds of one-third of debt service costs for the Project.
4. All resolutions, orders and other actions of the Board in conflict with the provisions of this Resolution, to the extent of such conflict, are hereby superseded, repealed or revoked.
5. No further approvals by the Board are necessary to implement this Resolution.

Mr. Medina made, and Ms. Pearson seconded a motion to adopt the resolution. The motion carried unanimously.

**CONSIDERATION OF HIGHER EDUCATION CAPITAL IMPROVEMENT
FUND APPLICATION - RENOVATIONS**

Mr. Medina presented the following resolution to the full Board:

- WHEREAS:** The College Facilities Master Plan details the need for renovations to the Kelsey and Townhouse complex located at 101 – 115 West State Street in Trenton, New Jersey (“Facility”); and
- WHEREAS:** The Board desires to approve the undertaking, implementation and funding from Institutional reserves of a project consisting of renovation of the Facility to increase the efficient use of space and fund deferred maintenance initiatives (“Project”); and
- WHEREAS:** The Board has determined that the Project will assist in serving the needs of its students and provide a benefit to the College; and
- WHEREAS:** The Board desires to approve the aggregate costs of the Project paid through all sources in an amount not to exceed \$1,913,000; and
- WHEREAS:** The Board desires to provide sufficient non-state funds for the College’s portion of Capital Improvement Fund debt service and to pay for the operating and maintenance costs after construction is completed; and
- WHEREAS:** The Board desires to finance the Project through the Higher Education Fund Capital Improvement Fund Act, N.J.S.A. 18A:72A-72 et seq. (“CIF”); and
- WHEREAS:** The Board wishes to approve the Application to be submitted to the Secretary of Higher Education (“Secretary”) for the Project, and to designate and authorize the Vice President for Administration and Finance or his designee to take necessary and desirable actions to undertake, implement and submit to the Secretary the Application for the Project; and
- WHEREAS:** The Board has approved the College’s Facilities Master Plan and authorizes and directs the Vice President for Administration and Finance or his designee to include the College’s Facilities Master Plan in the Application approved herein; and
- WHEREAS:** The Board reasonably expects to reimburse expenditures for costs of the Project paid prior to issuance of Tax-Exempt Bonds or any debt bearing interest which is exempt from gross income for federal income tax purposes which will fund an applicable Project and/or Program; now, therefore, be it

RESOLVED by the Thomas Edison State College Board of Trustees as follows:

1. The Board approves the Project and authorizes the undertaking, implementation and financing of the Project in a maximum aggregate

amount not to exceed \$1,913,000, in accordance with CIF funding that may be awarded to the College.

2. The Board approves the financing of the Project through CIF. The Board approves the Application for funding of the Project through the Program and authorizes and directs the Vice President for Administration and Finance or his designee to submit such Application to the Secretary with such changes, modifications and additions as are approved by the Vice President for Administration and Finance or his designee and such changes, modifications and additions shall be conclusively evidenced by the submission of the Application to the Secretary. The Board expressly directs and authorizes the Vice President for Administration and Finance or his designee to submit the College's Facilities Master Plan in the Application for any Program for which it is required. The Board acknowledges and agrees that approval of the Application and receipt of funds pursuant to the Program will obligate the College to: provide funds for the operation and maintenance of the Project, (b) contribute to the cost of the Project; (c) fulfill other conditions imposed under the Program and hereby directs and authorizes the Vice President for Administration and Finance or his designee to certify such acknowledgement and agreement as part of the submitted Application. The College is hereby authorized and directed to fulfill all conditions of the Proposed Program including without limitation providing for the operation and maintenance of the Project and using available funds of the College to pay for such operation and maintenance and to satisfy conditions of the Program to contribute to the cost of Project from available funds of the College.
3. The Board authorizes the College to use cash reserves to sufficiently finance matching funds of one-third of debt service costs for the Project.
4. All resolutions, orders and other actions of the Board in conflict with the provisions of this Resolution, to the extent of such conflict, are hereby superseded, repealed or revoked.
5. No further approvals by the Board are necessary to implement this Resolution.

Mr. Medina made, and Ms. Pearson seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF HIGHER EDUCATION EQUIPMENT LEASING FUND APPLICATION

Mr. Medina presented the following resolution to the full Board:

WHEREAS: Thomas Edison State College has a need for additional simulation laboratory equipment for the growing student enrollment in the W. Cary Edwards School of Nursing; and

- WHEREAS:** The Board desires to approve the undertaking, implementation and funding from Institutional reserves of a project consisting of the acquisition of simulation laboratory equipment ("Project"); and
- WHEREAS:** The Board has determined that the Project will assist in serving the needs of its students and provide a benefit to the College; and
- WHEREAS:** The Board desires to approve the aggregate costs of the Project paid through all sources in an amount not to exceed \$585,000; and
- WHEREAS:** The Board desires to provide sufficient non-state funds for the College's portion of Equipment Leasing Fund debt service and to pay for the operating and maintenance costs after construction is completed; and
- WHEREAS:** The Board desires to finance the Project through the Higher Education Equipment Leasing Fund Act, N.J.S.A. 18A:72A-40 et seq. ("ELF"); and
- WHEREAS:** The Board wishes to approve the Application to be submitted to the Secretary of Higher Education ("Secretary") for the Project, and to designate and authorize the Vice President for Administration and Finance or his designee to take necessary and desirable actions to undertake, implement and submit to the Secretary the Application for the Project; and
- WHEREAS:** The Board reasonably expects to reimburse expenditures for costs of the Project paid prior to issuance of Tax-Exempt Bonds or any debt bearing interest which is exempt from gross income for federal income tax purposes which will fund an applicable Project and/or Program; now, therefore, be it

RESOLVED by the Thomas Edison State College Board of Trustees as follows:

1. The Board approves the Project and authorizes the undertaking, implementation and financing of the Project in a maximum aggregate amount not to exceed \$585,000, in accordance with ELF funding that may be awarded to the College.
2. The Board approves the financing of the Project through ELF. The Board approves the Application for funding of the Project through the Program and authorizes and directs the Vice President for Administration and Finance or his designee to submit such Application to the Secretary with such changes, modifications and additions as are approved by the Vice President for Administration and Finance or his designee and such changes, modifications and additions shall be conclusively evidenced by the submission of the Application to the Secretary. The Board expressly directs and authorizes the Vice President for Administration and Finance or his designee to submit the College's Facilities Master Plan in the Application for any Program for which it is required. The Board acknowledges and agrees that approval

of the Application and receipt of funds pursuant to the Program will obligate the College to: (a) provide funds for the operation and maintenance of the Project, (b) contribute to the cost of the Project; (c) fulfill other conditions imposed under the Program and hereby directs and authorizes the Vice President for Administration and Finance or his designee to certify such acknowledgement and agreement as part of the submitted Application. The College is hereby authorized and directed to fulfill all conditions of the Proposed Program including without limitation providing for the operation and maintenance of the Project and using available funds of the College to pay for such operation and maintenance and to satisfy conditions of the Program to contribute to the cost of Project from available funds of the College.

3. The Board authorizes the College to use cash reserves to sufficiently finance matching funds of one-third of debt service costs for the Project.
4. All resolutions, orders and other actions of the Board in conflict with the provisions of this Resolution, to the extent of such conflict, are hereby superseded, repealed or revoked.
5. No further approvals by the Board are necessary to implement this Resolution.

Mr. Medina made, and Mr. Arndt seconded, a motion to adopt the resolution. The motion carried unanimously.

ADJOURNMENT

There being no further business to discuss. Mr. Lear asked for a motion to adjourn. Mr. Arndt made, and Mr. Maloney seconded, a motion to adjourn

The meeting was adjourned at 10:45 a.m.

Submitted by,



George A. Pruitt
Secretary to the Board

Approved by,



Eric R. Lear
Chairperson