

MINUTES

Special Meeting

BOARD OF TRUSTEES

Vernon College

May 12, 2015

The Board of Trustees of Vernon College met on Tuesday, May 12, 2015 at 12:00 Noon in the *Board Room* of the *Osborne Administration Building*, Vernon, Texas with the following present: Dr. Todd Smith, Chairman, Mr. Norman Brints, Vice-Chairman and Mrs. Vicki Pennington, Secretary (teleconference). Other board members in attendance were Mr. Irl Holt, Mr. Bob Ferguson, Mrs. Joanie Rogers, and Mrs. Anne Spears. Others present were Dr. Dusty R. Johnston, President, Deans: Dr. Gary Don Harkey and Mr. Garry David. Also in attendance were Ms. Mary King, Administrative Secretary to the President. Guest present was Mr. Trevor Sholly, director for *Lincoln Clean Energy*.

Chairman Smith called the meeting to order at 12:00 noon.

Dr. Smith welcomed Mr. Trevor Sholly, Director for Lincoln Clean Energy stating he was pleased to have another opportunity to visit with him regarding the wind farm project.

Mr. Sholly passed out a handout showing comparisons with the City of Vernon abatement schedule, the Wilbarger County abatement agreement, and the abatement proposal to Vernon College. The abatement proposal from Lincoln Clean Energy to Vernon College would net the College \$1,636,244 over ten years based on the PILOT (payment in lieu of taxes) proposal. This would amount to the College abating approximately \$2 million over the ten years based on estimated values.

After a lengthy discussion among board members with Mr. Sholly on additional abatement options, including providing no abatement to the company, the board directed Dr. Johnston to continue discussions with Mr. Sholly and Lincoln Energy to increase the PILOT offer to the College. A suggested compromise would be a PILOT that would require the College to abate approximately \$1 million over the ten-year period.

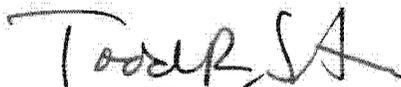
Dr. Johnston will talk further with Mr. Sholly after he discusses it with Lincoln Energy management. After receiving information back from Mr. Sholly, Dr. Johnston will share with the board and any action necessary will be placed on a future board agenda.

Closed Session: Mr. Ferguson made the motion, seconded by Mr. Holt to go into closed session at 12:39 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, Subchapter 551.074, to discuss personnel or other items under this section of the Texas Government Code, Texas Open Meetings Act. The motion carried unanimously.

Open Session: Mrs. Rogers made the motion, seconded by Mr. Brints to reconvene at 12:50 p.m. in open session. The motion carried unanimously.

Action – None

There being no further business Dr. Smith adjourned the meeting at 12:52 p.m.



Dr. Todd Smith, Chairman



Mrs. Vicki Pennington, Secretary