

**COMMITTEE OF THE WHOLE
OF THE BOARD OF TRUSTEES
HOUSTON COMMUNITY COLLEGE**

January 12, 2017

Minutes

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, January 12, 2017, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

MEMBERS PRESENT

Adriana Tamez, Chair
Robert Glaser, Vice Chair
Carolyn Evans-Shabazz, Secretary
Zeph Capo
John P. Hansen
Eva Loreda
Christopher Oliver
Neeta Sane
Dave Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
Ashley Smith, General Counsel
Teri Zamora, Senior Vice Chancellor, Finance and Administration
Kimberly Beatty, Vice Chancellor, Instructional Services/ Chief Academic Officer
Athos Brewer, Vice Chancellor, Student Services/Academic Affairs
William Carter, Associate Vice Chancellor, Information Technology
Remmele Young, Associate Vice Chancellor, Government and External Relations
Madeline Burillo, President, Southwest College
Margaret Ford Fisher, President, Northeast College
Phillip Nicotera, President, Coleman College
Irene Porcarello, President, Southeast College
Jason Wilson, Acting President, Central College
Janet May, Chief Human Resources Officer
Charles Smith, Chief Facilities Officer
Deborah Chambers, Interim Executive Director, HCC Foundation
Terrance Corrigan, Director, Internal Audit

OTHERS PRESENT

Jarvis Hollingsworth, Board Counsel, Bracewell LLP
Melissa Miller-Waters, President, Faculty Senate
Other administrators, citizens, and members of the press

CALL TO ORDER

Dr. Adriana Tamez, Board Chair, called the meeting to order at 12:34 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

(The following Trustees were present: Capo, Glaser, Hansen, Oliver, Tamez, and Wilson)

TOPICS FOR DISCUSSION AND/OR ACTION

APPROVE LETTER OF NON-OPPOSITION AND FOREIGN TRADE ZONE AGREEMENT WITH TMW PURCHASING

Motion: Dr. Hansen motioned and Mr. Glaser seconded.

(Mrs. Sane, Ms. Loreda and Dr. Evans-Shabazz joined the meeting at 12:35 p.m.)

Dr. Maldonado noted that the letter does not eliminate the tax requirement, but is a requirement for the entity to be considered exemption with other taxing entities.

Mr. Glaser inquired if the item is within the taxing district. Mrs. Zamora noted the entity is in the taxing district and noted that the entity has to request a letter from all taxing agencies. She noted the entity would continue to pay HCC taxes and that an agreement will be executed requiring the entity to pay taxes on the inventory directly to HCC. She noted that it is a permanent designation.

Mr. Capo inquired if there are more similar requests coming forward, and what is driving the requests. Mrs. Zamora noted there is an increase in world trade and the international business in Houston is also increasing.

Mrs. Zamora noted that HCC is the last of the taxing districts needing to approve the request.

Mr. Glaser inquired of the other taxing districts. Mrs. Zamora noted HISD and the City of Houston were among the other taxing agencies.

Mr. Wilson inquired of an example of the goods and services being used through the process. Mrs. Zamora noted it would include imports and exports. She noted the college is not receiving any goods and services from the entity and there is no effect on the College.

Mr. Wilson inquired how TMW Purchasing was selected. Mrs. Zamora noted that the company approached the College with the request.

Mr. Wilson inquired of the number of free trade zones in Houston. Mrs. Zamora noted there are three on the HCC books as designated sights.

Vote: Motion passed with a vote of 8-1 with Mr. Wilson abstaining.

GENERAL LEGAL SERVICES POOL (PROJECT NO. RFQ 17-25)

Motion: Dr. Evans-Shabazz motioned and Ms. Loredo seconded.

Dr. Maldonado noted that the RFQ was re-issued and the adjusted firm rankings reflect small, medium and large. He noted there are three categories of general legal services provided for consideration on an as-needed basis.

Mr. Glaser inquired if there was a discussion of re-bracketing firms by small, medium and large. Dr. Maldonado noted the bracketing was an attempt to provide an opportunity for smaller firms to conduct work with HCC through small business participation.

Mr. Glaser inquired if the small business participation not being obtained to the extend administration revised it to include more small businesses participation. Dr. Maldonado replied that it was for legal services.

Mr. Oliver inquired as to the scoring process and inquired why Bradshaw scored higher than the other firms did in the small firm category.

Dr. Maldonado noted Mrs. Zamora would provide an overview of the inquiry. Mrs. Zamora noted scoring is based on the qualifications of the personnel, the experiences and responses to the series of questions.

Mr. Oliver inquired of the expertise of the evaluators and noted he is more comfortable with individuals who have knowledge of the area or subject matter. Mrs. Zamora noted there were five evaluators that included two attorneys from General Counsel participating and the other evaluators had knowledge in the area.

Mr. Oliver noted he is inquiring because he wanted to get a clear understanding of the process regarding the scoring.

Mr. Wilson noted that when he reviewed the listing, there were individuals who have given the college bad advice regarding contract law, bond issues, real estate issues, and some are too expensive and noted he would be voting against the item for those reasons.

Vote: Motion passed with a vote of 6-3 with Mr. Glaser, Dr. Hansen, and Mr. Wilson opposing.

INVESTMENT REPORT FOR THE MONTH OF NOVEMBER 2016 AND MONTHLY FINANCIAL STATEMENT AND BUDGET REVIEW FOR NOVEMBER 2016

Motion: Dr. Hansen motioned to consider items C and D together and Mr. Capo seconded.

Mrs. Zamora provided an overview of the investment report and financial statement.

Mr. Oliver inquired of the investments that caused the college to lose so much money. Mrs. Zamora noted the money was not lost but apprised that the investments matured and moved to cash.

Mr. Oliver requested a footnote on the report. Mrs. Zamora referenced the note on the statement.

Mr. Wilson noted he is still waiting on financial training to better understand. Dr. Tamez noted that it was discussed at the retreat to hold training in this area to assist the Board.

Mr. Glaser referenced page 9 on the financial statement regarding dual credit/early college waivers increasing. Mrs. Zamora noted there has been a growth in the dual credit area and the waiver of dual credit out of district fees. She noted there is a break-even with state reimbursement.

Mr. Capo referenced the budget comparison from the previous fiscal year and inquired if there is something driving the travel and marketing costs. Mrs. Zamora noted the faculty travel allowance had an impact and noted there will be more in the spring.

Mr. Wilson referenced the revenue from tuition on page 9 of \$35 million. Mrs. Zamora noted that it is slightly down from last year; however, it was \$36.1 million this time last year. She noted the end of the fiscal year activities is August 31.

Ms. Loreda inquired of the Peace Officer exemption on page 9. Mrs. Zamora noted she would look up the exemption and noted it is probably an exemption for disabled police officers.

Vote: Motion passed with a vote of 9-0.

AMEND PROJECT MANAGER FOR 2013 BOND PROJECT L

Motion: Mr. Capo motioned and Dr. Evans-Shabazz seconded.

Dr. Maldonado noted the move is to have in-house staff manage the remainder of the Central College Culinary project.

Mr. Capo inquired if the move is to have in-house staff manage the project to shorten the time. Dr. Maldonado noted it is part of the facilities department restructuring and to shorten the project.

Ms. Loreda inquired if there is in-house knowledge to complete the project. Dr. Maldonado noted the construction contractor is an outside entity but the project management will no longer be Freese Nichols because of the project delivery and the restructuring of the facilities department.

Vote: Motion passed with a vote of 9-0.

AUTHORIZE TRANSFER OF FUNDS FROM COMPLETED CIP PROJECTS TO PROJECTS IN CONSTRUCTION

Motion: Mr. Capo motioned and Dr. Evans-Shabazz seconded.

Dr. Maldonado noted the request of transferring funds between individual projects has been brought to the Board before and noted Mr. Smith would provide an overview of the movement of funds. Dr. Maldonado referenced that the last page of the supporting documentation provides an overview of the project transfers.

Mr. Smith noted that the request is for permission to move up to the amounts indicated but the auditor, bond counsel, and contractors will all have to agree on the amounts. He provided an overview of the project changes.

Mr. Oliver inquired of the specifics that need completion for the various projects. Mr. Smith noted funds are needed for furniture and equipment. He noted the goal was to ensure the edifice was up and completed.

Mr. Oliver requested to be kept informed of the specifics regarding the backend expenses for furniture and fixtures. He inquired if there is a CMAR for the CIP projects. Mr. Smith noted the CMAR is the general contractor for each individual project. He noted the program manager is Jacobs Project Management Corporation and Ken Johnson is the project manager, who were present at the last meeting.

Mr. Smith noted the Board elected to setup the projects with a program manager and project managers.

Mr. Oliver requested information be provided if the full expenditure of funds are not expended. Dr. Tamez recommended administration provide the requested information directly to Mr. Oliver unless other members would like to receive it as well.

Ms. Loreda inquired if some of the campuses would have an opportunity to fulfill items on their wish lists since funds will be moved around. She inquired on the addition of power strips in the student lounges. Mr. Smith noted that the areas are called sticky spaces or collaboration spaces. He noted that the managing of the bond program is to run out of money towards the end of the program.

Mr. Smith noted a report showing where the money was expended would be provided and that there will probably be another adjustment.

Ms. Loreda noted to take into consideration the wish lists if there is any surplus.

Mr. Capo expressed appreciation for moving the work forward.

Ms. Loreda noted that the Fraga building is still not completed.

Vote: Motion passed with a vote of 8-1 with Mr. Glaser opposing.

REPORT ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS

Dr. Maldonado noted Mr. Smith would provide an update on the CIP.

Mr. Smith provided the report on the Bond Capital Improvement Plan.

Dr. Hansen reiterated the request for square footage regarding the CIPs as made in December. Mr. Smith noted that the information was included in the WAB and noted he would follow up.

Mr. Glaser inquired of the lease status of the building purchased at West Loop. Mr. Smith noted that it is currently waiting on the City of Houston to permit a water line revision. He added a lease update would be provided accordingly.

FOOD SERVICES AT CAMPUS LOCATIONS

Dr. Maldonado noted the report is regarding food service operations to students, faculty and staff and included a provision of food services for the Alief-Hayes Campus.

Mr. Smith noted there are currently seven locations in place that offer food services. He noted that students expect a level of customer service that are more brand and offering conscious. He noted the effort is to change the past fundamental approach because locations have not been profitable.

(Dr. Tamez stepped out at 1:50 p.m.)

Mr. Smith noted the effort is to recognize that food service operations play a vital role in building a campus community and improving student retention. He added that a food service solicitation was issued for the Alief-Hayes campus. Mr. Smith noted the effort is to offer the students a different experience with a variety menu.

Mr. Smith made a presentation on the following:

- Food Service Locations
 - Central Campus
 - Northline Complex
 - West Loop Campus
 - Northeast Campus
 - Katy Campus
 - Spring Branch Campus
 - Health Science Campus

(Dr. Tamez returned at 1:53 p.m.)

Mr. Smith noted approximately 6,000 students are needed to operate a food service environment. He added that the colleges would renovate the spaces for the operator to lease and pay a licensing fee per head at the campus.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 1:54 p.m.

Minutes submitted by Sharon Wright, Director, Board Services

Minutes Approved as Submitted: February 23, 2017