

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

June 19, 2014

Minutes

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, June 19, 2014, at the HCC Administration Building, 2nd Floor, 3100 Main in Seminar Room B, Houston, Texas.

MEMBERS PRESENT

Neeta Sane, *Chair*
Robert Glaser, *Secretary*
Eva Loredo
Sandie Mullins
Adriana Tamez
David B. Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
Shantay Grays, Chief of Staff
William Carter, Vice Chancellor, Information Technology
Charles Cook, Vice Chancellor, Academic Affairs
Thomas Estes, Vice Chancellor, Special Projects and Bond Program
Diana Pino, Vice Chancellor, Student Services
Teri Zamora, Vice Chancellor, Finance and Planning
Fred Zeidman, Vice Chancellor, Institutional Advancement
Margaret Ford Fisher, President, Northeast College
Julian Fisher for Fena Garza, President, Southwest College
William Harmon, President, Central College
Zachary Hodges, President, Northwest College
Irene Porcarello, President, Southeast College
Betty Young, President, Coleman College
Janet May, Chief Human Resources Officer
Remmele Young, Associate Vice Chancellor, Governmental and External Affairs

OTHERS PRESENT

Derrick Mitchell, Board Counsel, Bracewell & Giuliani
Vidal Martinez, Special Counsel, Martinez Partners, LLP
Michelle Novak, President, Faculty Senate
Ava Cosey, President, COPA
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Ms. Neeta Sane, Chair called the meeting to order at 4:44 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: Glaser, Loredo, Mullins, Sane, Tamez and Wilson)

ADJOURNED TO CLOSED SESSION

Mrs. Sane adjourned the meeting to Executive Session at 4:45 p.m. notice having previously been given and reiterated in accordance with Sections 551.071, 551.072, and/or 551.074 of the Open Meetings Law. Mrs. Sane stated that any final action, vote or decision on any item discussed in Executive Session would be taken up in Open Session or in a subsequent Public Meeting.

Mrs. Sane reconvened the meeting in Open Session at 5:57 p.m. and entertained any motions on pending matters.

(The following Trustees were present: Glaser, Loredo, Mullins, Sane, and Wilson)

APPROVE PURCHASE OF PROPERTY FOR NORTHEAST COLLEGE

Motion – Ms. Loredo moved and Mr. Glaser seconded. The motion passed with vote of 5-0.

COOPERATIVE, INTERLOCAL & SOLE SOURCE CONTRACT APPROVALS & RENEWALS FOR FISCAL YEAR 2015

Motion – Ms. Mullins moved and Ms. Loredo seconded.

Mr. Wilson inquired of the \$500,000. Dr. Cesar Maldonado informed that any one item is not to exceed \$500,000 without Board approval and noted that amounts greater than \$50,000 shall be reported to the Board on a quarterly basis.

Mr. Glaser requested clarification regarding the function and purpose with the Houston-Galveston Area Council. Mr. Christopher Burton apprised that the agency conducts the competitive pricing for certain functions such as temporary agencies to provide support to the institution (i.e., television station).

Ms. Loredo inquired about the Texas Medical Center McGovern lease space for HCC's Pharmacology program item, 13 on page 8. Dr. Charles Cook noted that the program is housed in the McGovern Building.

Mr. Glaser inquired if there are plans to move the program. Dr. Cook informed that the plans are to move it to the new facility.

Vote – The motion failed with vote of 4-0-1 with Trustee Wilson abstaining.

Ms. Mullins inquired of the next step. Mrs. Sane apprised that she would discuss with Dr. Maldonado regarding the next step.

Dr. Maldonado noted that some of the items would need to be purchased prior to the next fiscal year. He apprised that administration would provide the needed information.

Mr. Wilson requested a recess. Mrs. Sane recessed the meeting at 6:08 p.m. and reconvened at 6:16 p.m.

Motion to Reconsider - Mr. Wilson moved and Mr. Glaser seconded to reconsider. The motion passed with a vote of 5-0.

AUTHORIZATION TO AMEND AND RENEW THE INTERLOCAL COOPERATION AGREEMENT FOR THE COLLECTION OF TAXES BETWEEN FORT BEND COUNTY, TEXAS (FORT BEND) AND HOUSTON COMMUNITY COLLEGE (HCC)
Motion – Mr. Glaser moved and Ms. Loredo seconded.

Dr. Maldonado noted that the item is to allow Fort Bend and Harris counties to collect taxes on behalf of HCC.

Vote – The motion passed with vote of 5-0.

ADOPTION OF FORT BEND AND HARRIS COUNTY LOCAL OPTION EXEMPTION TAX YEAR 2014

Motion – Mr. Glaser moved and Ms. Loredo seconded.

Dr. Maldonado informed that the recommendation is to adopt the current rate with no change.

Mr. Glaser noted that the item is an issue with him due to the possible forthcoming tax increases regarding debt coverage for the bond measure. He informed that the college offers the lowest exemption for homeowners over sixty-five. Mr. Glaser apprised that in his opinion not giving a fair break to homeowners is not in the best interest of the institution. He noted that he will vote to move the item forward but expressed concerns about not being able to provide more of an exemption to taxpayers.

Ms. Loredo inquired of the recommendation that Mr. Glaser would like to see. Mr. Glaser informed that he would like to see an increase regarding the local homestead exemption for over 65 and disabled.

Mr. Glaser apprised that the goal should be to provide greater exemptions for homeowners. Mrs. Sane noted that Dr. Maldonado is recommending that the exemption remain as is for this year and review options at the budget workshop.

Vote – The motion passed with a vote of 5-0.

APPROVAL OF LEASE BUYOUT PROPOSAL FOR CHILI'S FORMERLY LOCATED AT 1040 W. SAM HOUSTON PARKWAY N, HOUSTON, TEXAS

Motion – Mr. Glaser moved and Ms. Mullins seconded.

Mr. Glaser inquired if the item is asking that the lease be forgiven. Dr. Maldonado informed that the tenant is paying to get out of the lease.

Vote – The motion passed with a vote of 5-0.

APPROVAL OF LEASE AGREEMENT FOR 1040 W. SAM HOUSTON PARKWAY N., HOUSTON, TEXAS

Motion – Mr. Glaser moved and Ms. Loredo seconded.

Mr. Glaser inquired if there are options should HCC want to buyout. Ms. Jacqueline Swindle informed that there are no options for the first ten years regarding a buyout and after the ten years, the college will have the option to provide a non-renewal notice one year in advance.

Mr. Wilson inquired as to who will provide the leasehold improvements. Ms. Swindle apprised that the tenant will be responsible for the improvements.

Mr. Glaser noted that he would like to see the option to opt out within the first ten-year term. He informed that this would give the college options as it relates to the property.

Mrs. Sane inquired if it is possible to negotiate an exit clause. Dr. Maldonado apprised that the lease could be reviewed for options; however, the tenant will factor the lease terms and leasehold improvement costs and may want lower monthly payments to recover their investment. Dr. Maldonado recommended that unless there is a projected use for the property that the college not bypass the revenue stream.

Ms. Mullins noted that it should also be taken into consideration that the location is out of district.

Mr. Glaser informed that he will vote for the item but would like to maximize the options for the college.

Mrs. Sane apprised that an amendment could be made to authorize the Chancellor to renegotiate. Ms. Loredo noted that if the tenant is going to remodel the facility then they may be less apt to invest with an opt-out clause.

Ms. Loredo requested to hear from Dr. Hodges regarding the item. Dr. Hodges informed that the specific property needs many repairs in order to bring it up to standards to use for college purposes.

Dr. Maldonado apprised that he would review the lease agreement and noted that the timing to review, plan and implement possible usage for the property would take approximately ten years.

Vote – The motion passed with vote of 5-0.

INVESTMENT REPORT FOR THE MONTH OF MARCH AND APRIL 2014

Ms. Mullins moved and Mr. Glaser seconded to consider reports Investment reports for March and April 2014.

Dr. Maldonado introduced Mrs. Teri Zamora, Vice Chancellor, Finance and Planning.

Mrs. Teri Zamora presented the investment reports.

Vote – The motion passed with vote of 5-0.

MONTHLY FINANCE STATEMENT FOR MAY 2014

Motion – Mr. Glaser moved and Ms. Loreda seconded.

Mrs. Zamora referenced page 2 regarding the current unrestricted funds through May 31, 2014 and noted that \$269.5 million was received in revenue and expenses were \$260 million. She informed that new projections were ran and the amount is less than anticipated regarding the need to transfer funds from the reserves. Mrs. Zamora apprised that the amount to be transferred will depend on the year-end numbers.

Mrs. Zamora noted that page 5 summarizes the total revenue for student athletic fee and informed that the fund balance is \$1.6 million.

Vote –The motion passed with a vote of 5-0.

PAYMENT TO BRACEWELL & GIULIANI LLP FOR PROFESSIONAL SERVICES RENDERED THROUGH APRIL 30, 2014

The item was pulled by administration.

PAYMENT TO GARDERE WYNNE SEWELL LLP FOR PROFESSIONAL LEGAL SERVICES RENDERED FROM MARCH 31, 2014 THROUGH APRIL 30, 2014

Motion – Mr. Glaser moved and Ms. Mullins seconded.

Mr. Wilson apprised that he has voted against the item previously.

Dr. Maldonado noted that he would pull from consideration.

Motion Withdrawn - Mr. Glaser withdrew the motion and Ms. Mullins withdrew the second.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 6:52 p.m.

Minutes recorded, transcribed & submitted by:
Sharon Wright, Manager, Board Services

Minutes Approved as Submitted: August 21, 2014