

**SPECIAL MEETING
OF THE BOARD OF TRUSTEES
HOUSTON COMMUNITY COLLEGE**

September 11, 2014

Minutes

The Board of Trustees of Houston Community College held a Special Meeting on Thursday, September 11, 2014 at the HCC Administration Building, 2nd Floor, 3100 Main in Seminar Room B, Houston, Texas

MEMBERS PRESENT

Neeta Sane, *Chair*
Christopher W. Oliver, *Vice Chair*
Robert Glaser, *Secretary*
Zeph Capo
Eva Loreda
Sandie Mullins
Carroll G. Robinson
Adriana Tamez
David B. Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
E. Ashley Smith, Acting General Counsel
Shantay Grays, Chief of Staff
William Carter, Vice Chancellor, Information Technology
Zachary Hodges, Acting Vice Chancellor, Academic Affairs
Diana Pino, Vice Chancellor, Student Services
Teri Zamora, Vice Chancellor, Finance and Planning
Michael Edwards, Acting President, Coleman College
Margaret Ford Fisher, President, Northeast College
Fena Garza, President, Southwest College
Butch Herod, Acting President, Northwest College
Irene Porcarello, President, Southeast College
Janet May, Chief Human Resources Officer

OTHERS PRESENT

Derrick Mitchell, Board Counsel, Bracewell & Giuliani
Susan Goll, President, Faculty Senate
Jodie Khan, President, COPA
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mrs. Neeta Sane, Chair, called the meeting to order at 3:24 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: Capó, Glaser, Loredó, Mullins, Robinson, Sane, Tamez and Wilson)

BOND CONSTRUCTION MANAGER-AT-RISK SERVICES FOR PROJECT A & RELOCATED PROJECT B (PROJECT NO. RFP 14-04)

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

Dr. Cesar Maldonado noted that the effort is to move the project that was originally located at Eldridge to the Alief Hayes Road campus. He informed that if there is a desire to hear how the recommendation was determined, administration is prepared to present.

Mr. Chuck Smith apprised that the move would provide a \$9 million savings.

Mr. Capó inquired as to where the \$9 million was saved. Mr. Smith noted that approximately \$8 million of the savings is from not having to surcharge the ground to raise the building and also \$500,000 will be saved in operational cost.

Ms. Mullins inquired of the plans for the Eldridge land. Dr. Maldonado informed that administration would be providing a recommendation to the Board.

Ms. Mullins apprised that she is highly disappointed regarding the Eldridge plans and inquired why the information was not knowledgeable prior. She inquired of the programs that will be provided at the new location. Dr. Maldonado noted the program integrity is being maintained and the programs originally proposed to the community will remain in the project.

Mr. Robinson informed that there is a lot of valuable land and recommended to continue to review public/private partnerships to generate revenue. He apprised that one area of focus for the Quality Enhancement Plan (QEP) was to become a big Science, Technology, Engineering and Mathematics (STEM) program and noted that the anticipation is to maximize the programs at the location.

Ms. Loredó inquired of the distance between the Hayes project and Eldridge. Mr. Smith informed that the distance is exactly 4 miles.

Amended Motion - Ms. Mullins motioned to amend to name the building the West Houston Institute. Mr. Capó seconded the amendment.

Mrs. Sane apprised that there is a naming policy in place and there could be a discussion later regarding the naming.

Ms. Mullins noted that she would like to see consistency with the naming.

Dr. Maldonado informed that he does not object to the Board's wishes and apprised that he would like to make certain the naming is all inclusive. He noted that there has been a discussion with the Chair regarding the naming of a campus or building.

Ms. Mullins inquired if the name was going to be West Houston Institute at Eldridge why not carry it forward. Dr. Maldonado noted that there are various options and informed that the efforts are to capture the entire vision.

Mr. Capo inquired if the item is passed and someone comes forward with a check for naming purposes would the vote today stop those efforts.

Ms. Mullins informed that the project needs a home and she would like to carry forth the name with continuity.

Mrs. Sane apprised that Ms. Mullins' amendment is to make the naming a recommendation to administration.

Mr. Robinson called the question.

Vote on amendment – The amendment to keep the name as West Houston Institute passed with a vote of 6-0-2 with Mr. Glaser and Mr. Wilson opposing.

Vote on Amended motion – The motion was passed with a vote of 8-0.

BOND CONSTRUCTION MANAGER-AT-RISK SERVICES FOR PROJECT N – COLEMAN CAMPUS (PROJECT NO. RFP 14-04)

Motion – Mr. Robinson motioned to take item off the table. Mr. Wilson seconded. The motion passed with vote of 8-0.

Motion - Mr. Robinson moved and Mr. Capo seconded to consider item C regarding Bond Construction Manager at Risk (CMAR) for Project N – Coleman Campus

Dr. Maldonado informed that the recommendation from administration is to approve the project at the current proposed location. He yielded to Mr. Charles Smith to provide a presentation regarding the recommendation.

Mr. Smith apprised that a review was conducted in comparison with the current location and an optional location at Highway 288 and N. McGregor. He noted that the Highway 288 location would provide for a larger facility; however, there would be a need for infrastructure support, central plant and parking. Mr. Smith informed that the operational savings to be located in the medical center location is approximately \$500,000 annually. He apprised that both properties have intangible value. He noted that the recommendation is to move forward with the medical center property and reserve the other location for future growth.

Mr. Robinson acknowledged that State Representative Garnet Coleman was present. Mr. Robinson apprised that he appreciates the due diligence that Dr. Maldonado and Mr. Smith provided. He noted that his request is to pour a strong enough foundation to build vertically in the future. Mr. Robinson informed that there was a promise of an early college at the location and noted that at the time, there was not an awareness that Houston Independent School District was going to move DeBaKey into the medical

center. He apprised that there is not a need for two early colleges and noted that a review should take place regarding modification of the need for an early college. Mr. Robinson informed that the building is great and that he will vote for the item to finish off the bond projects. He apprised that he does have a naming recommendation regarding the new building.

Mr. Robinson noted that the current Coleman College is named after Representative Coleman's father.

Mr. Wilson informed that he has concerns regarding the Thermal Energy Cooperative (TECO) utility and parking costs. He apprised that it appears that the building will be expensive to operate. Mr. Wilson inquired if there has been consideration regarding location at Holman, Fannin and San Jacinto.

Mr. Charles Smith noted that there has been a review regarding the TECO cost and informed that even though the rates are high, the purchase is for British Thermal Units (BTUs) there are two line items on the current operating statement for energy costs that includes energy cost and operating and maintenance cost. He informed that there is nothing clear to denote the rates are outlandish. Mr. Smith apprised that the parking will be approximately \$280,000 annually for staff and students. He noted that there are conversations underway with the medical center regarding the parking.

Mr. Wilson informed that there are advantages for putting the college at Central Campus and recommended postponing the vote to review the option.

Ms. Loredo apprised that she sees the value of having the location in the medical center. She noted that it is important to continue to build on the dreams of the students as it relates to being located in the medical center.

Mr. Capo agreed that the medical center location is the right spot for the project and informed that the medical programs probably have the most expensive equipment that is needed on site and noted relocating would be too costly.

Dr. Tamez informed that the Coleman needs to be located in the medical center.

Vote –The motion passed with vote of 7-1 with Mr. Wilson opposing.

EFFECTIVE, ROLLBACK, AND DEBT SERVICE TAX RATES CALCULATIONS

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

Mrs. Sane recessed the meeting at 4:01 p.m. and reconvened at 4:20 p.m.

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

Dr. Maldonado apprised that the item is the proposed tax rate and noted that Mrs. Teri Zamora would present the background information.

Mrs. Zamora noted that the valuation increased and informed that the total proposed rate is 0.009717. She referenced the worksheet regarding the rate calculations, which is forwarded to Harris County for review. Ms. Zamora provided a summary review of the calculations. She apprised that it was anticipated that the debt rate would cost the taxpayer \$27 for the tax year with a valuation of \$250,000; however, because of the increase in the valuation, the cost would be \$22 on a \$250,000 valuation. She apprised that the Maintenance and Operations (M&O) rate would remain the same but the debt service rate would increase because of the debt.

Mr. Capo inquired as to why the numbers are expanded. Mrs. Zamora informed that the calculations are performed by pre-programmed software.

(Mr. Oliver joined the meeting at 4:27 p.m.)

Mr. Robinson inquired how long the M&O rate is in effect. Dr. Maldonado apprised that the M&O is for one year. Mrs. Zamora noted that the debt tax is at the high point; however the M&O will fluctuate.

Mr. Glaser inquired for the average age for long-term debt. Mrs. Zamora noted that it should lower because the effort is to pay on old debt.

Mr. Wilson inquired of the interest on debt and inquired of the amount that is principal. Dr. Maldonado informed that the information could be provided.

Ms. Mullins inquired of the peak. Mrs. Zamora apprised that the debt tax rate is at the peak for 5-7 years.

Mr. Glaser expressed appreciation for holding the M&O rate constant. He requested that the total debt is considered in future budget discussions.

Vote – The motion passed with a vote 8-1 with Ms. Mullins opposing.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 4:31 p.m.

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

Minutes Approved as Submitted: _____