

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

**May 18, 2017**

**Minutes**

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, May 18, 2017, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

**MEMBERS PRESENT**

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

**ADMINISTRATION**

Cesar Maldonado, Chancellor  
Melissa Gonzalez, Vice Chancellor/Chief of Staff  
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  
William Carter, Vice Chancellor, Information Technology  
Kurt Ewen, Vice Chancellor, Planning and Institutional Effectiveness  
Julian Fisher for Madeline Burillo, President, Southwest College  
Margaret Ford Fisher, President, Northeast College  
Muddassir Siddiqi, President, Central College  
Zachary Hodges, President, Northwest College  
Phillip Nicotera, President, Coleman College  
Irene Porcarello, President, Southeast College  
Robert King, Interim Executive Director, HCC Foundation  
James Walker, Interim Chief Facilities Officer  
Terrence Corrigan, Director, Internal Audit

**OTHERS PRESENT**

Melissa Mihalick, Board Counsel, Bracewell LLP  
Melissa Miller-Waters, President, Faculty Senate  
Other administrators, citizens and representatives from the news media

**CALL TO ORDER**

Ms. Eva Loredo, Chair, called the meeting to order at 4:13 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: Evans-Shabazz, Hansen, Loredo, Sane, and Wilson)*

*(Mr. Capo joined the meeting at 4:15 p.m.)*

*(Dr. Tamez joined the meeting at 4:15 p.m.)*

**TOPICS FOR DISCUSSION AND/OR ACTION**

**BANKING RESOLUTION AUTHORIZATION**

Motion: Dr. Evans-Shabazz motioned and Dr. Hansen seconded.

Dr. Maldonado apprised that the request is for approval of the Banking Resolutions and noted Mrs. Zamora would address any questions.

Mrs. Zamora noted the item provides the banks with updated changes of personnel, titles, and signatures.

Mr. Wilson inquired if Blackrock was a subsidiary of Bank of America. Mrs. Zamora noted they were a subsidiary on the investment side but not the banking side. Mr. Wilson noted he was opposed to Bank of America due to the ownership of Blackrock.

*(Mr. Glaser joined the meeting at 4:18 p.m.)*

Vote: Motion passed with a vote of 7-1 with Mr. Wilson opposing.

**LANDSCAPING & GROUNDS MAINTENANCE SERVICES, SERVICE AREA 1 (PROJECT NO. RFP 17-10)**

Motion: Dr. Evans-Shabazz motioned and Dr. Tamez seconded.

Dr. Maldonado noted the request is to negotiate and execute a contract with Landscape Professionals of Texas.

Mr. Capo noted that in reviewing the scoring pieces the subcontractors listed indicated none met the small business qualifications.

*(Dr. Tamez stepped out at 4:22 p.m.)*

Mr. Rogelio Anasagasti, Executive Director of Procurement noted the prime contractor proposed 39% small business commitment; however only 4% of the firms proposed qualified

for the college approved certifications. He added that HCC is proactively working with the proposed firms in obtaining the certifications. Mr. Anasagasti noted that although no points are allocated today, the small business participation would be infused within the length of the contract.

*(Dr. Tamez returned at 4:23 p.m.)*

Mr. Wilson noted previous discussions had been held in breaking up contracts to get more small business involvement. Mrs. Zamora apprised the contract is being divided into areas where the service area includes Central, Coleman and System administration for small business participation.

Dr. Evans-Shabazz requested publications be considered that are more widely distributed and utilized in the African American community. She noted that if the circulation utilized centers on a particular area of town the opportunity is limited for African Americans to view. She apprised that she is fine if this is the best method but requested it be changed if not.

Ms. Loredo recommended that Dr. Evans-Shabazz submit names of any particular community periodicals for consideration. Dr. Evans-Shabazz mentioned the Forward Times and the Defender. She noted that her objective was to get the information out to African American community.

Mr. Glaser inquired if the contract would be tracked to determine if dividing it would affect the college financially and if the actions are making a difference. Mrs. Zamora noted this was a new venture for the college and that the quality, cost and reliability will be tracked.

Mr. Glaser inquired if tracking is done regarding how vendors view the solicitation and if so, what are the results. Mrs. Zamora noted the effort is to direct the vendors to the website instead of spending on advertising. Mr. Anasagasti noted the objective is to drive the traffic to the website that is current and contains real time information. He noted that a simple question included in the RFP could be implemented to determine how they learned about the solicitation notice.

Mrs. Sane noted that the point made by Mr. Glaser is good because it shows how the vendors are hearing about HCC.

Vote: Motion passed with a vote of 8-0.

Ms. Loredo noted the agenda would be taken out of order and Item H regarding the Report on Sports Partnerships would be considered next.

*(Dr. Evans-Shabazz stepped out at 4:30 p.m.)*

### **REPORT ON SPORTS PARTNERSHIPS**

Dr. Maldonado noted Ms. Linda Toyota would provide an update on the partnerships with the Texans, Rockets and Dynamo.

Ms. Toyota provided an overview of the value of the sports partnerships to include:

- Overall Strategy
- Special Target Audiences
- Strategic Details
- Partnerships
  - Texans

*(Dr. Evans-Shabazz returned at 4:38 p.m.)*

- Rockets
- Dynamo

Mr. Capó noted the programmatic costs were not included and inquired if there would be a recommendation made as to which partnership would be of priority. He also inquired about other options regarding how the marketing dollars can be spent. Mr. Capó noted that as a Trustee he would review prioritizing one over the other and how it aligns with other marketing avenues.

### **REPORT ON MARKETING STRATEGY FOR TEXANS PARTNERSHIP**

Dr. Maldonado noted that Ms. Toyota would provide an overview of the marketing partnership with the Texans.

Ms. Toyota provided a video and overview of the partnership with the Texans regarding the Veterans and students relationships.

Ms. Toyota noted that over half a million visits were made to the Texans website regarding the visit by the Coleman College Physical Therapy students. She noted that HCC receives about 2.5 million views a month and added that Coleman has about 300 leads every month. Ms. Toyota noted that social media is impactful when discussing value. She added that marketing opens doors to people who want to know more about HCC.

### **SPONSORSHIP AGREEMENT WITH HOUSTON TEXANS**

Motion: Dr. Tamez motioned and Dr. Evans-Shabazz seconded.

Dr. Maldonado noted the item is a request to execute a four year sponsorship agreement with the Houston Texans with an option to cancel after the second year. He added Ms. Toyota would present the summary of the agreement.

Ms. Toyota noted the recommendation was a four year term effective August 2, 2017 – July 31, 2021. She apprised that the first year investment would be at \$477,619 with a 3% escalation per year with no opt-out option available after the second year.

Mr. Wilson inquired about the annual advertising budget and how much is paid for the television ads. He also inquired if there is any data to show what was received in total regarding the advertisement with the sports partnerships.

Mr. Wilson inquired of the amount of the Rockets and Dynamo contracts. Ms. Toyota noted the Rockets and Dynamo contracts are one year contracts under \$100,000 each.

Mrs. Sane noted the benefits to the contracts are to increase student enrollment and seek scholarship donors. She inquired of the data that supports increased enrollment and the donor base from the partnerships over the last four years. Ms. Toyota noted the data is not available and apprised that questions as how students heard about HCC is being included in the application process.

Mr. Sane noted the partnerships have existed for three years and inquired of the data and the benefits to rationalize the partnerships. Ms. Loredó noted the data has never been requested. Mrs. Sane noted she has asked for the data in the past and requested the data for the last three years.

Mr. Capó noted the data had been requested in the past with a review regarding investment in sports partnerships versus other options. He inquired about the college receiving three times the value based on the programmatic value and the best place to measure the return on the benefits.

Vote: Motion failed with a vote of 3-5 with Trustee Loredó, Dr. Evans-Shabazz and Dr. Tamez in favor and Trustees Sane, Capó, Glaser, Wilson and Dr. Hansen opposing.

**PROFESSIONAL MECHANICAL, ELECTRICAL & PLUMBING ENGINEERING SERVICES (PROJECT NO. RFQ 17-34)**

Motion: Dr. Hansen motioned and Dr. Evans-Shabazz seconded.

Dr. Maldonado noted the item is a request to execute a contract with the highest ranked firms on an “as needed basis”.

Vote: Motion passed with a vote of 8-0.

*(Dr. Tamez stepped out at 5:09 p.m.)*

**ADOPTION OF FORT BEND AND HARRIS COUNTY LOCAL OPTION EXEMPTIONS TAX YEAR 2017**

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

Dr. Maldonado noted the item was for approval of the local option exemption for tax year 2017.

Mr. Glaser inquired of the fiscal impact to raise from 10% to 20%. Mrs. Zamora noted that it would be approximately \$35 million if raised to 20%.

Mr. Wilson inquired if taxes are paid on values over \$120,000 for over 65. Mrs. Zamora noted over 65 would get a 10% homestead exemption and an additional \$120,000 exemption and pay taxes on the value greater than \$120K. Mr. Wilson inquired as to what other institutions are doing. Mrs. Zamora referred to the attachment that provided a comparison on what is being done at other institutions in the area.

Mr. Capo inquired about the impact on the homestead exemption if the legislation rollback rate does pass. Mrs. Zamora noted the taxpayers would be subject to the \$35 million.

Mr. Capo inquired if the homestead exemption could be used as a backup plan should the bill go into effect. Mrs. Zamora noted the numbers would have to be calculated and apprised that the effects of the legislature would not go into effect until next year.

Mr. Glaser proposed an amendment to increase the exemption from 10% to 15% due to increase in home valuation.

Motion to amend: Mr. Glaser motioned and Mr. Wilson seconded to increase the exemption from 10% to 15%.

Mr. Glaser noted the proposed Senate bill would not go into effect until next year and the recommended amendment would be effective this year.

Mrs. Sane noted she would like to establish consistency in the percentage amount and apprised she would like to wait for the outcome of the budget since the impact of the bill would not take place until next year.

Mr. Wilson noted as an example that if the homestead exemption increased to 15%, it would be a \$75,000 exemption on a \$500,000 home and the \$25,000 would cost the district approximately \$17.5 million.

Mrs. Zamora noted the homestead exemption is costing the college about \$35 million at 10% and an increase to 15% would save approximately \$25 on a \$500,000 home each year.

Mr. Capo inquired of any options to consider for seniors and disabled if the rollback rate changed. Mrs. Zamora noted that for every \$1,000 raised it would cost the college \$75,000 in tax revenue.

Mr. Glaser inquired if there would be any credit regarding homestead exemptions. Mrs. Zamora noted it is a straight calculation of what is received this year and next.

Vote on Amendment: Motion failed with a vote of 2-5 with Trustees Glaser and Wilson in favor and Trustees Loreda, Sane, Capo and Drs. Evans-Shabazz and Hansen opposing.

Vote: Motion passed with a vote of 7-0.

**MONTHLY INVESTMENT REPORT, FINANCIAL STATEMENT AND BUDGET REVIEW FOR MARCH 2017**

Motion: Mrs. Sane motioned and Dr. Evans-Shabazz seconded.

Dr. Maldonado apprised the item is regarding the monthly investment report, financial statement, and budget review for March 2017. He noted Mrs. Zamora would provide an overview.

Mrs. Zamora noted questions were received regarding the fund balance activities and the response was provided in the Weekly Administrative Briefing (WAB) and noted additional information would be provided relative to the month of March.

Mrs. Zamora referenced page 2 regarding the Fund Balance and explained that the top half is the income statement on a cash basis and at the end of the year it rolls over into accruals. Mrs. Zamora added that previous Trustees requested to know what the Fund Balance would look like at the end of the year and noted the information was added at the bottom half of the Fund Balance Sheet. She apprised that one of the inquiries was why the Fund Balance is not moving from one fund to another. Mrs. Zamora informed that the balance is moved to an asset at the end of the month and subtracted at the end of the year as capitalizing assets. She added that when debt is paid off, the interest remains as an expense at the end of the year, but the principal moves over to the balance sheet reflecting a reduction of liabilities.

Mrs. Zamora noted all the debt for the Public Facility Corporation (PFC) has been paid and the last building is being transferred over in August making the balance zero.

Mrs. Sane noted the Fund Balance Statement as produced does not record all the assets. She referenced the unexpended plant fund and inquired about the corresponding entries not reflected. Mrs. Zamora noted the other side of the transaction is not reflected because the year to date expenditures would not be seen as noted on the current sheet. Mrs. Sane requested additional information be included on the monthly Balance Sheet on expenditures and assets. Mrs. Zamora apprised that an additional sheet could be added to provide more details.

Mrs. Zamora noted the total difference on the Fund Balance on page 2 and page 8 was due to the PFC Fund Balance and page 8 is reflecting only HCC property.

Mr. Glaser noted that in summary of what Mrs. Sane stated, it is more of a Cash Flow Statement because it does not line up with the Balance Sheet and items listed are not expenses. Mrs. Zamora noted they are expenditures against the budget. Mr. Glaser noted it needs to be correctly titled a Cash Flow Statement. Mrs. Zamora noted the format is being worked on to be more descriptive.

Mr. Capo referenced the unrestricted fund balance and inquired if \$66 million more is being collected in revenue by the end of August. Mrs. Zamora noted it would be a combination of tuition, state appropriations and property taxes.

Mr. Capo inquired if there is anticipation of less net revenue this year than in comparison to last year. Mrs. Zamora noted projections indicate net revenues over expenses would be about \$7 million by the end of the year.

Mr. Capo noted discussions have not taken place since 2014 in regards to having a strategic priority vision on the additional revenues being added to the Fund Balance. Mrs. Zamora noted the unspent monies are being used to pay down debt and other purposes. Mr. Capo apprised that it is important the Board set priorities on how to spend the additional revenue.

Vote: Motion passed with a vote of 7-0.

*(Dr. Evans-Shabazz stepped out at 5:40 p.m.)*

#### **REPORT ON PREPAREDNESS FOR INCIDENTS INVOLVING WEAPONS**

Dr. Maldonado noted Chief Greg Cunningham, HCC Police Department would provide an overview of the preparedness for incidents involving weapons and noted the presentation did not require closed session discussion.

Chief Cunningham provided a report to include an overview of the following:

- National Crime Trends
- Selected College Crime Trends
  - Homicides
  - Forcible Sex Offenses
  - Robbery
- Efforts to Prepare to Date
  - NIMS compliant emergency plans
  - Updated Active Shooter Response Training
  - Annual Law Enforcement Officer (LEO) drills conducted
  - Active Shooter Training for Faculty, Students and Staff
- Action Items Now
- How an Event Will Unfold Today



*(Mrs. Sane stepped out at 5:48 p.m.)*

- Where to Find the Information
- Who Are the Mutual Aid Assets
- Mission Going Forward

Mr. Glaser expressed appreciation for the presentation and noted the knowledge is good for everyone. He apprised that finances need to be tracked regarding campus carry due to the unfunded state mandate.

Mr. Capo inquired if crosswalk discussions have been held with the legal and/or police department on what are the best practices to a streamline connection of the training.

Chief Cunningham noted attendance for training events are recorded. He added attendance of speaking events are captured based on who does the presentation within the police organization or at an outside organization. Chief Cunningham noted the police department is working in unison with Risk Management who reports to legal.

Mr. Capo referenced the national trends slide and inquired if there is concern when viewed at three years. Chief Cunningham noted the bar appears at length, but it reflects only one or two cases. He noted the campuses are in good shape and need to be prepared.

Mr. Capo inquired if the staffing ratios are at capacity at the police level and the emergency response center. Chief Cunningham noted the department is making progress to staff and be at full capacity by the summer.

*(Mrs. Sane returned at 5:57 p.m.)*

Mr. Capo inquired if there is adequate policy language in place to protect the officers regarding Campus Carry. Chief Cunningham noted the law gives some liability exemptions to officers provided policy and procedures are followed.

*(Ms. Loreda left at 6:00 p.m. and Mrs. Sane presided.)*

#### **REPORT ON ENERGY EFFICIENCY INITIATIVES**

Dr. Maldonado noted Mr. James Walker, Interim Chief Facilities Officer would provide the update on the current energy efficiencies.

Mr. Walker reported on ways to improve energy efficient and provided an overview that included the following:

- SECO – LoanSTAR
- LED Lighting Upgrade
- Administration Control System Upgrade

- West Loop HVAC Upgrade
- Stafford Fine Arts Chiller Replacement
- LoanSTAR2 Lighting Upgrades
- Loan STAR2 HVAC Upgrades
- Retro-Commissioning
- Energy Planning Process
- Senate Bill 300 (81R)

Mr. Wilson inquired if the lighting retrofit kits are Class A, B, or C, and are they UL approved. Mr. Walker noted they are Class A and UL approved.

Mr. Wilson inquired of both the LoanSTAR contract amounts. Mr. Walker noted the LonSTAR1 is \$4.2 million and LoanSTAR2 is \$7.1 million. Mr. Wilson inquired where and how the debt is recorded on the books. Mrs. Zamora noted it acts like a grant on the books and reimburses when money is spent. She added it shows up like debt; however, none was recorded in the last fiscal year end but more will appear next year.

Mr. Glaser inquired if it is normal to invest in a 19 year payback period on an item. Mrs. Zamora noted the program is a two-fold that allows for replacements as needed.

Mr. Capo inquired of the life expectancy of the replacement of a new unit. Mr. Walker noted it is roughly 20 years.

Mr. Capo noted he made a request regarding the energy savings in regards to the Chevron project. Dr. Maldonado noted administration would review the inquiry log regarding the request.

#### **UPDATE ON CAMPUS CARRY**

Dr. Maldonado noted that Dr. Kimberly Beatty would provide an update on Campus Carry.

Dr. Beatty provided an update that included the following:

- Planning Process
  - December 2015 – Open Campus Carry Committee Design
  - Spring 2016 – Procedures/Implementation of Open Carry; Listening Tours; Policy Development
  - Fall 2016 – Policy Development; Legal Review
  - Spring 2017 – Present Policy to Board of Trustees; Develop Implementation Plan
  - Fall 2017 and Beyond – Implement Campus Carry; Provide Quarterly Reports
- Spring 2017
  - April 30 – Complete Information Forums

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- May – Weapons Free Designation (WFD) Committee convene biweekly through September 2017; WFD Committee determine weapons free zones based upon the law and policy
- May 4 – Post application for WFD; Launch mandatory training
- May 8 – Charge the WFD Committee
- May 9 – Letter to ISD partners
- May 13 – Develop communication to the college community; Order state-approved signage
- Policy and Website Links

Mr. Glaser inquired as to who comprises the WFD Committee. Dr. Beatty noted it is a shared governance committee.

Mr. Wilson inquired of the status regarding carrying while in an open meeting as it relates to Mr. Capo's inquiry. Dr. Maldonado noted the inquiry was submitted to the Attorney General to provide an opinion. Mr. Wilson inquired if it will prevent Campus Carry from taking effect in the fall. Dr. Maldonado noted the college will follow the mandate.

Mr. Capo noted the Campus Carry item was approved by the Board.

**REPORT ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS**

Dr. Maldonado noted the monthly update on the CIP would be provided by Mr. Ken Johnson with Jacobs Engineering.

Mr. Johnson provided an overview of the CIP to include:

- Interns and Apprentices
- April Budget Report
- Small Business Spotlight
- Small Business Top 10
- Acres Homes
- Central South
- West Houston Institute

Dr. Hansen inquired why the fences are still up with no construction taking place at the West Houston Institute. Mr. Johnson noted minor punch items need to be completed, final report needs to be submitted and issues with the contractor on the lab floors.

Mr. Johnson continued with the presentation:

- Missouri City
- Northline
- Felix Fraga STEM

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- Coleman Health Tower
- North Forest
- Central
- Upcoming Events
- Permit & Construction Schedule (All permits received)

Mr. Wilson referenced the Project Budget Summary page and inquired of the money for the Central College Culinary building. Dr. Maldonado noted the project is listed as Project L on the summary.

Mr. Wilson referenced the comment made by Mr. Johnson regarding the beams at North Forest. Mr. Johnson noted there had been an unforeseen soil condition and the work has been done to secure the beams. Mr. Wilson inquired if it was more beneficial to have torn down the building. Mr. Johnson noted he has heard both sides of the argument.

Mr. Glaser inquired of status regarding occupancy permits. Mr. Johnson noted the occupancy permits are current and noted some are still conditional pending final inspection.

Mr. Glaser inquired of the status regarding the Conn's building. Mrs. Zamora noted it is anticipated that the tenant will move in by the summer.

**ADJOURNMENT**

With no further business coming before the Board, the meeting adjourned at 6:36 p.m.

Minutes submitted by Sharon R. Wright, Director, Board Services

Minutes Approved as Submitted: June 15, 2017