

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

February 9, 2017

Minutes

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, February 9, 2017, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

MEMBERS PRESENT

Eva Loreda, Chair
Christopher Oliver, Vice 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
Stephen Levey for Kimberly Beatty, Vice Chancellor, Instructional Services/Chief Academic Officer
Athos Brewer, Vice Chancellor, Student Services/Academic Affairs
William Carter, Vice Chancellor, Information Technology
Remmele Young, Associate Vice Chancellor, Government and External Relations
Madeline Burillo, President, Southwest College
Margaret Ford Fisher, President, Northeast College
Muddassir Siddiqi, President, Central College
Phillip Nicotera, President, Coleman College
Irene Porcarello, President, Southeast College
Janet May, Chief Human Resources 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

Ms. Eva Loreda, Board Chair, called the meeting to order at 4:04 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, Evans-Shabazz, Hansen, Loreda, Sane, Tamez, and Wilson)

TOPICS FOR DISCUSSION AND/OR ACTION

SALE OF PROPERTY AT WEST LOOP CAMPUS TO TEXAS DEPARTMENT OF TRANSPORTATION

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

(Mr. Oliver joined the meeting at 4:07 p.m.)

Dr. Maldonado noted the item is to sale a parcel of land equivalent to three parking spaces to TxDOT as part of their reconstruction and improvement of Loop 610 and U.S. 59 interchange.

Dr. Hansen inquired if the light structure would improve the illumination for the parking lot. Dr. Maldonado noted that he is not certain but based on other such projects it usually does.

Mr. Wilson inquired of the TxDOT appraisal methodology. Mrs. Zamora noted that she was not aware of the methodology used and noted the cost of an appraisal and legal fees would cost more than the property.

Mr. Wilson referenced the purchasing and the selling of the land for the Conn's property and noted concern of what the community's view would be on this transaction.

(Mr. Glaser joined the meeting at 4:08 p.m.)

Mrs. Sane inquired if the College is required to have an appraisal or accept TxDOT's appraisal. Dr. Maldonado noted the item is a sale to a state agency. Mrs. Zamora noted HCC can contest the offer from TxDOT and apprised that Counsel has advised that the State will prevail. She noted the College is not required to conduct an appraisal.

(Dr. Evans-Shabazz stepped out at 4:11 p.m.)

Mr. Oliver inquired as to when the notification was received. Mrs. Zamora apprised the notice was received on January 9, 2017 and the College informed TXDOT that the Board would have to approve the transaction.

Mr. Oliver inquired if there are other properties that fall under eminent domain. Mrs. Zamora noted there was no information available at this time regarding other properties under eminent domain.

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Mr. Oliver inquired if the real estate brokers are keeping the College apprised on other entities interested in eminent domains.

Dr. Maldonado noted that TxDOT does not work through real estate brokers.

(Dr. Evans-Shabazz returned at 4:15 p.m.)

Ms. Loreda noted that regardless if approved or not, the entity would prevail.

Mr. Capo inquired if the College real estate brokers were consulted when the notification was received and is the offer something that can be revisited before presenting to the Board. Dr. Maldonado noted that the College was given 14 days to respond and was made aware of the cost of litigation. Mrs. Zamora apprised that if the Board turns down the offer it could be revisited through litigation. Dr. Maldonado noted that the cost to negotiate would cost more than the property value.

Mr. Capo associated with Mr. Wilson regarding a response to the community.

Mr. Oliver noted he understands the administration's position and referenced Mr. Wilson's comments regarding future negotiations. He apprised that a plan is needed for future transactions.

Dr. Evans-Shabazz noted there is very little negotiation opportunities with eminent domain transactions. She noted she does not think it is worth the fight with TxDOT.

(Mr. Capo stepped out at 4:20 p.m.)

Dr. Hansen concurred with Dr. Evans-Shabazz, and he noted the property is too small for anyone to support the opposition.

Mr. Wilson noted that the learning point was missed with the overpayment of the Conn's property.

Mrs. Sane noted the suggestion was not that the Board disagrees with TxDOT. She inquired what would have been the appraised value of the parcel if the college representatives had reviewed the property.

Mr. Glaser noted his first signature item upon becoming Board secretary was the signing of an eminent domain transaction. He apprised that the amount is not enough to make a difference. He added something could be learned from this transaction since a lot of money has been spent in the past on eminent domain processes. Mr. Glaser noted a lot more could probably be obtained for the property but is not worth the effort.

Ms. Loredo inquired that if a light structure is being erected, could part of it be aimed towards the parking lot.

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

INTERNATIONAL STUDENTS HEALTH INSURANCE SERVICES (Project No. RFP 17-27)

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

Dr. Maldonado noted that the recommendation is to negotiate and execute a contract to provide health insurance services to international students.

Mrs. Sane inquired how the fee is paid. Mr. Robert McCracken, Director of Risk Management, noted the student pays the fee for the health insurance.

Mr. Glaser noted the item is a net zero cost to the College.

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

BANK DEPOSITORY SERVICES (Project No. RFP 16-38)

Motion: Mr. Oliver motioned and Dr. Tamez seconded.

Dr. Maldonado noted that the item is to authorize to negotiate and execute a contract to provide bank depository services.

Mr. Oliver noted that historically there was inclusion of small banks within minority communities. Mrs. Zamora noted there are deposits in small banks on the investment side.

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

APPROVAL OF THE OFFICIAL HCC SCHEDULE OF TUITION AND FEES

Motion: Mr. Oliver motioned and Mr. Glaser seconded.

Dr. Maldonado apprised that the item is to approve HCC's official schedule of tuition and fees effective Fall 2017.

Mr. Glaser noted the fees have been maintained at zero and there has been increasing cost. He inquired as to where the costs are being absorbed. Mrs. Zamora noted the three areas are taxes, tuition and fees, and state appropriations with property taxes bearing more of the cost.

Dr. Tamez inquired about the fees for service. Mrs. Zamora noted the service fee is at the same rate charged to provide the service; therefore, it is a net zero.

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

CONSENT TO ASSIGNMENT FOR HCC FINANCIAL ADVISORY SERVICES AGREEMENT

Motion: Mr. Oliver motioned and Dr. Tamez seconded.

Dr. Maldonado noted the effort is to bring forward for consideration the reassignment of HCC Financial Advisory Services Agreement to FTN Financial. He noted Mr. Jorge Rodriguez would continue to serve as the financial advisor.

Mr. Oliver inquired if minority small business participation is required. Mrs. Zamora noted the original bid was advertised as best effort.

Mr. Oliver noted that he wants to ensure that the community is given the opportunity to do business with the system when those opportunities arise.

Dr. Evans-Shabazz inquired if there is anything the procurement process could implement to provide additional weight for those who engage with minority firms. Mrs. Zamora noted that professional services do not typically outsource and the solicitation denotes best effort.

Mr. Wilson noted he would rather put the contract out for bid than to transfer or reassign it.

Mrs. Zamora noted that many contracts have an automatic reassignment; however, this particular contract requires consent from both parties. She noted Mr. Rodriguez would remain the financial advisor for the College.

Dr. Evans-Shabazz inquired of any negative ramifications for re-bidding the assignment. Mrs. Zamora noted that due to the RFQ time duration there would be no active financial advisor and currently there is no cost involved unless there is a transaction. She apprised that a new relation could involve a cost for service during a period where there is no transaction activity and noted the bylaws require rotation of advisors every five years.

Vote: Motion failed with a vote of 4-4 with Trustees Evans-Shabazz, Loreda, Sane and Tamez in favor and Trustees Glaser, Hansen, Oliver, and Wilson opposing.

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

Motion: Dr. Hansen motioned to consider items F and G together and Mr. Oliver seconded.

Dr. Maldonado noted that Mrs. Zamora would provide the investment report and the monthly financial statement for December 2016.

Dr. Hansen recommended combining the items for future presentations since the reports are consolidated at the meetings.

Dr. Hansen inquired if the significant capital losses on the investment holdings were due to an increase in interest rates. Mrs. Zamora noted they were due to the fluctuation of interest rates.

(Mr. Oliver left at 4:55 p.m.)

(Dr. Tamez left at 4:55 p.m.)

Mr. Glaser requested a monthly report paired with interest payments made on outstanding debt. Mrs. Zamora noted it could be provided.

Vote: Motion passed with a vote of 6-0.

REPORT ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS

Dr. Maldonado noted Mrs. Zamora would provide an update on the CIP.

Mrs. Zamora provided a report to include the following:

- Total Interns/Apprentices
- January Budget Report
- Small Business Spotlights
- Small Business Top 10

Mr. Glaser requested a copy of the CIP presentation. Mrs. Zamora noted the report could be provided.

Mrs. Zamora continued with the presentation and provided an overview of Tellepsen and a status of the current projects.

Mr. Wilson inquired if the North Forest slide was the Academic building. Mrs. Zamora apprised that she would review and provide a response. Mr. Wilson noted that the building should have been demolished and a new building put in its place. He expressed his concerns regarding the entrance to the campus.

Mr. Glaser inquired of the status regarding the lease for the West Loop building. Mrs. Zamora noted the easement was approved in January and the water line is being installed. Mrs. Zamora apprised that a monthly update would be provided.

Ms. Loreda informed that State Representative Senfronia Thompson had expressed concern regarding the opening status of the North Forest building for community use.

REPORTS ITEMS FROM APPOINTED AND AD HOC COMMITTEE(S):

Ms. Loreda noted that the following committees met prior to the COTW:

- Academic Affairs/Workforce
- Audit
- Board/Chancellor Evaluation
- External Relations
- Strategic Planning

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- Student Success/Services

Ms. Loredo expressed appreciation to everyone for moving HCC forward. She noted that she would be looking into how many students enroll and how many remain after 3-4 weeks. She noted that she appointed a Student Liaison Ad Hoc committee to be chaired by Mr. Glaser.

Dr. Evans-Shabazz apprised that she will be attending a meeting at Wheeler Avenue Baptist Church February 9 at 6:30 p.m. regarding a panel discussion on the crisis of education. She noted she will be participating as a Trustee on the second part of the panel.

ADJOURNED TO CLOSED SESSION

Ms. Loredo adjourned the meeting to Executive Session at 5:18 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. Ms. Loredo stated that any final action, vote or decision of any item discussed in Executive Session would be taken up in Open Session or in a subsequent Public Meeting.

Ms. Loredo reconvened the meeting in Open Session at 6:33 p.m. and entertained any motions on pending matters.

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

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 6:33 p.m.

Minutes submitted by Sharon Wright, Director, Board Services

Minutes Approved as Submitted: April 20, 2017