

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

**April 13, 2017**

**Minutes**

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, April 13, 2017, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

**MEMBERS PRESENT**

Eva Loreda, Chair

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

Madeline Burillo, President, Southwest College

Margaret Ford Fisher, President, Northeast College

Muddassir Siddiqi, President, Central College

Zachary Hodges, President, Northwest College

Donna Spivey for Phillip Nicotera, President, Coleman College

Irene Porcarello, President, Southeast College

Janet May, Chief Human Resources Officer

Robert King, Interim Executive Director, HCC Foundation

Terrence Corrigan, Director, Internal Audit

**OTHERS PRESENT**

Jarvis Hollingsworth, 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 4:07 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, Glaser, Hansen, Loredo, Tamez, and Wilson)*

Ms. Loredo noted the agenda would be taken out of order and apprised that the Master Planning Process report would be received at this time.

**TOPICS FOR DISCUSSION AND/OR ACTION**

**REPORT ON MASTERING PLANNING PROCESS**

Dr. Maldonado apprised that Mr. Charles Smith would provide an overview regarding the report on the master planning process.

Mr. Smith provided an overview of the following:

- No Single Plan Meets All Needs
- Student Experience
- Balancing Act
- Conceptual Site Analysis

*(Dr. Evans-Shabazz stepped out at 4:10 p.m.)*

- System Strategic Plan
  - System Level Facilities Master Plan
- Imagine HCC 2019
- HCC Strategic Real Estate Study
- 2011-2035 Facilities Master Plan
  - Mission Critical Construction and Maintenance Needs
- 2009 Facilities Assessment Report
- Campus Master Plans
  - Plans Over 5 Years Old
  - No Master Plan
- Strategy
- Acres Homes Slide references Spring Branch and Eastside Campus

Mr. Wilson noted a master plan had not come before the Board to determine campus locations. He added he would like to see a master plan regarding disposing of properties, closing and consolidating some of the facilities.

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

Mr. Smith noted the strategic land plan was the initial step and was approved by the Board.

Mr. Glaser inquired about the facility assessment report. Mr. Smith noted the facility assessment could be done in various protocols. He apprised that the report is conducted through a parametric analysis.

Mr. Glaser inquired if current maintenance costs are factored into the budget. Mr. Smith noted the costs are included in the budget and the current maintenance costs would be presented to the Board to determine next steps.

Mr. Glaser inquired of the scope of the campus master plans. Mr. Smith apprised that there are well defined factors as the basis for the solicitation, and the plans are done in a ten year rolling cycle with a five year review. He noted that Spring Branch and Eastside are being brought to the Board for consideration because Spring Branch has not had a master plan and is a large campus. He noted that Southeast is being presented because of the changes in acquiring the Woodridge property.

Dr. Maldonado noted deferred maintenance has been under funded and is growing.

Mr. Wilson requested a copy of the approved Sutherland plan. Dr. Maldonado noted it would be included in the Weekly Administrative Brief (WAB).

**SPRING BRANCH CAMPUS MASTER PLAN (PROJECT NO. RFQ 16-44)**

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

Dr. Maldonado noted that the request is for approval of the Spring Branch master plan and noted the plan was referenced in the presentation provided by Mr. Charles Smith.

Mr. Wilson recommended combining items D and E and noted his question references both items. He noted the firm rating for Sutherland Page on both items was rated differently. He noted the firm's qualifications are arbitrary, capricious and apprised that he is in opposition of the procurement bidding process and the lack of consistency.

Vote: Motion passed with a vote of 6-1 with Mr. Wilson opposing.

**EASTSIDE CAMPUS MASTER PLAN (PROJECT NO. RFQ 16-45)**

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

Dr. Maldonado noted the item is to authorize execution of a contract with Freese and Nichols for Eastside Campus.

Dr. Tamez noted the item is great in terms of the master plans. She apprised that the effort to take the master plans and making it a reality is wonderful.

Dr. Tamez requested to be part of the planning process as well as engaging the community. She requested to know who will be the stakeholders.

Mr. Wilson registered the same objection as noted on item D.

Vote: Motion passed with a vote of 6-1 with Mr. Wilson opposing.

### **REPORT ON HCC/UH FAR WEST HOUSTON PARTERSHIP**

Dr. Maldonado noted the Board has been briefed regarding the project. He noted the project provides an opportunity to move into far west Houston in partnership with the University of Houston. He apprised that Dr. Beatty would provide a review of the partnership opportunity.

Dr. Beatty provided an overview to include the following:

- Overarching Goal
- Conceptual Future Footprint
- Northwest Catchment Areas
- Katy Development Trends – October 2020 to October 2025
- Challenges with the Foxlake Location
- Far West Houston Engagement Timeline
- Findings of Far West Houston Studies
- Opportunities Associated with Expansion
- Initial Programmatic Options for West Houston

Dr. Hansen inquired if this was a partnership with UH Victoria. Dr. Beatty noted it was both UH Victoria and UH as a whole.

Mr. Capo inquired if UH will conduct the clinical portion of the RN program. Dr. Maldonado noted the agreement is a 3+1 with Coleman and UH. He noted the idea is to have a 2<sup>2</sup> program with all the UH locations. He added that UH has agreed not to offer a two year program at the Katy location.

Mr. Capo inquired if competition will exist if moving students to west Houston. Dr. Maldonado noted that classes will only be offered if the need arises.

Mr. Glaser inquired about the commuting distance from the medical center area to Katy. Dr. Maldonado noted more updates will be provided. He noted HB5 relations is being utilized and added that the focus of growth is regarding Coleman. He apprised that from a COE standpoint, the faculty and the expertise will still come from Coleman.

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Mr. Capo inquired as to where would the students have to go if they are going to attend a comparable level of an ADN program. Dr. Beatty noted if the college is going to remain competitive, the needs of the area must be serviced. She noted a number of students already travel from the Katy area to attend Coleman.

Mr. Capo noted that from a visual perspective, there is a UT-Tyler engineering program in west Houston and in his district there is an automotive program and noted he has some pause. He inquired as to how the college is balancing program and offerings across the system because the community would also look at it as a visual.

Dr. Hansen associated with Mr. Capo and noted that the center of Houston now goes down Wilcrest as the real population center. He associated the importance of encouraging students to attend Coleman but the sentiments is that there is too much congestion.

Mr. Capo noted the balancer is that the remainder of the population pays the cost for services in the area and there needs to be some level of balance.

Mr. Glaser associated with Mr. Capo and noted he sees the optics and that it goes with our upstream partners. He added there needs to be a balance to the optics with supply and demand, and we should work with our upstream partners in offering equity opportunities.

*(Dr. Evans-Shabazz stepped out at 4:54 p.m.)*

Dr. Beatty continued with the presentation on Planning Lines for 2016 – 2018.

Mrs. Teri Zamora provided an overview of the numbers as follows:

- Revenue Forecast, 10 Years – Forecast per Program Study
- Revenue Forecast, 10 Years – Forecast with U of H Influence
- Summary Capital Transactions
- Next Steps to Establish Far West Houston Location

*(Dr. Evans-Shabazz returned at 4:58 p.m.)*

Mr. Capo referenced the previous discussion and noted the outline included HCC utilizing UH space. Mrs. Zamora noted that was an option; however, reviewing the numbers showed the college would fare better by building its own facility with an anticipated opening of 2019.

Dr. Hansen inquired if a discussion was held regarding the financing of the building project since it is not in the taxing service area. Mrs. Zamora noted options have been reviewed with the financial advisor.

Mr. Glaser referenced slide 11 and noted that caution should be taken regarding straight line projections in moving forward. He inquired if the cost would be \$62 million for the construction

and \$19 million for the property with all the pay backs based on the projections. Mrs. Zamora concurred.

Mr. Capo inquired as to the conservativeness of the numbers. Mr. Charles Smith noted the \$19 million does not include the 6% commission for the broker and noted that the price was provided seven months ago and anticipate it being higher.

**REAL ESTATE TRANSACTION LOCATED IN FAR WEST HOUSTON**

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

Dr. Maldonado noted the item included a real estate transaction that could be covered in closed session.

**ADJOURNED TO CLOSED SESSION**

Ms. Loredo adjourned the meeting to Executive Session at 5:07 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 5:58 p.m. and entertained any motions on pending matters.

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

*(Dr. Evans-Shabazz joined the meeting at 6:00 p.m.)*

Motion Withdrawn: Mr. Capo withdrew the motion and Dr. Evans-Shabazz withdrew the second.

Motion: Mr. Capo moved to approve administration to negotiate and execute according to terms discussed in closed session and Dr. Tamez seconded.

Mr. Wilson noted the original discussion was to lease from UH and now it has been changed to purchase property. He noted the main problem he has with the project is that the location is not in the college taxing district. He added that he has a problem setting up the discussed arrangements with a PFC. Mr. Wilson apprised that the Katy citizens were asked to be annexed, and they did not want to be annexed. He noted there were questions about the data presented.

Mr. Wilson inquired from his colleagues as to how could they ask their constituents to build in the area. He asked the Trustees to consider who is paying for the expenses.

Mr. Capo noted he understands Mr. Wilson concerns to an extent. He noted the one area that may be worth discussing is ensuring there is a positive cash flow as quickly as possible to make

certain it is a paid off. Mr. Capo inquired if the tuition rates are acceptable to the area and is it appropriate to have tax dollars tied up produced by the taxing identity. He noted he will not vote against the item but opens up the discussion as to how to identify a balance. He added that there may need to be a discussion as to fair share.

Dr. Hansen noted he is in general agreement with Mr. Capo and apprised he has had multiple discussions with the Chancellor on the item. He noted the project has to be self-funding and that a tuition and fee structure needs to be established. He added that he does not think it is fair to the rest of the district to subsidize an area not in the taxing authority.

Mr. Glaser inquired if all of the discussion and notes recorded in closed session. Mr. Hollingsworth apprised that everything was recorded.

Mr. Wilson noted he agrees with Dr. Hansen on the project not being self-funded. He noted the revenues from the sale of an asset will be used and the current strength of the organization to pay for the project.

Vote: Motion passed with a vote of 5-2 with Dr. Evans-Shabazz and Mr. Wilson opposing.

**ASPHALTIC PARKING LOT RECONSTRUCTION & RESTORATION (PROJECT NO IFB 17-20)**

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

Dr. Maldonado noted that the recommendation is to authorize the execution of a contract to provide asphalt parking lot reconstruction and restoration. He apprised Mr. Charles Smith would be answering any questions.

Dr. Hansen noted that one of the properties included is the Fox Lake parking lot and inquired that in light of the item previously discussed is it fair use of the money. Mr. Smith clarified that only pothole patching would be performed.

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

**2013 CIP PROJECT L CULINARY ARTS CENTER (PROEJCT NO. CSP 17-31)**

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

Dr. Maldonado noted that the recommendation is to authorize the execution of a contract to perform the work for the Culinary Arts Center.

Dr. Tamez noted the project has been delayed enough and needs to be done for the sake of the students in the program and future students.

Mr. Wilson noted concerns regarding the procurement procedures. He apprised that the Board was told in the past the CMAR had to be used. He noted the procurement process is arbitrary, capricious, and subjective. He recommended the low bidder be used and require that the firm have a performance bond.

Dr. Tamez inquired from Mr. Wilson why he characterizes the scores changed. Mr. Wilson noted that three years ago, the recommended firm was not the top firm. Ms. Loredo apprised that she has asked if the committee members are experts in different categories in regards to the scoring.

Mr. Capo noted there is some subjectivity and apprised that there are other variables and circumstances that can come into play.

Vote: Motion passed with a vote of 6-1 with Mr. Glaser opposing.

#### **REPORT ON HCC AND HOUSTON TEXANS PAST PARTNERSHIP**

Dr. Maldonado noted that a presentation would be provided by Linda Toyota on the HCC and Houston Texans partnership.

Ms. Toyota provided a review of the HCC and Houston Texans past partnership to include an overview of the following activities:

- Official Education Partner
- Aligned Cultures
- Providing and Proving Value
- Value of Partnership
- The Power of the Texans
- Top 15 Most Valuable Sports Franchises in the World
- Amplification and Brand Awareness
- Student Support
- Scholarships Provided

*(Mr. Glaser stepped out at 6:27 p.m.)*

Mr. Capo noted that some of the questions he has had in the past was how does marketing dollars translate into student enrollment. He inquired of the best use of the marketing dollars. He noted there are other methods that could be utilized such as doing door-to-door efforts or community grassroots organizations.

*(Mr. Glaser returned at 6:32 p.m.)*

Ms. Toyota noted that in reviewing the programs in place the effort is to maximize those currently in place. She noted that there is an opportunity to grow in terms of the metrics and added the Texans are committed to education.

Ms. Loredo noted the partnership provides an opportunity to reach a greater audience in the community.



**REPORT ON HCC AND TEXANS PROPOSAL**

Dr. Maldonado noted the report is a follow up to the previous presentation as a proposed proposal. He added Linda Toyota would be doing the presentation.

Mr. Capo referenced page 3 of the proposal regarding the limitation of the events hosted and inquired if graduation would be covered as one of the four events. Mrs. Toyota noted the four events include using the facility with an additional rental fee for any event being held.

Dr. Maldonado added that General Counsel passed out a term sheet regarding the proposed agreement with the Houston Texans. He apprised that the term sheet is in connection with the next agenda item recommending approval of the partnership agreement.

Mr. Capo inquired about the number of commercials and the value of each commercial. Ms. Toyota apprised there would be two commercials per game, and it was a bundle package.

Dr. Maldonado referenced page 4 of the prior presentation regarding the past partnership report and noted the 2016 media value was \$481K that could be estimated based on the past media value.

Dr. Evans-Shabazz referenced the number of events hosted per year and inquired of the four events hosted by HCC. Dr. Maldonado noted there was a veterans and workforce event. He added the facility belongs to Harris County. He also noted not all the benefits were not utilized in the past and there would be a difference going forward now that Communications has been restructured.

Mr. Capo inquired if there is a crunch deadline and noted he would like to see a crosswalk comparison of the previous agreement and the terms being proposed. He added that he would like to see the costs of all the sports sponsorship agreements. Mr. Capo noted he would like to see a comparison regarding the marketing efforts and the needs for an alignment of the dollars to make the dollars count.

Dr. Maldonado noted that based on the comments and observations provided by Mr. Capo and his request for additional information recommends the next item be pulled for consideration and presented at the meeting next month.

**SPONSORSHIP AGREEMENT HOUSTON TEXANS**

Item was pulled by administration for further review and will be presented for consideration in May 2017.

**APPROVE TUITION AND FEE OPTIONAL EXEMPTIONS AND WAIVERS FOR FISCAL YEAR 2017-2018**

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

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Dr. Maldonado apprised the item is regarding the approval of optional tuition and fees exemptions and waivers.

Mr. Glaser referenced the dual credit/early college exemptions and inquired if the college waives all of the fees. Mr. Glaser inquired as to what the other institutions are doing regarding dual credit. Dr. Maldonado noted a strategic approach is being considered regarding the upcoming charges for dual credit. Mr. Glaser inquired as to why the item is being presented. Dr. Maldonado noted if the dual credit exemption would not be approved, it would be placing the upstream partners in a predicament.

Mr. Capo associated with Mr. Glaser and noted his concern was regarding the impact of the budget when the fees are waived even though the state funding is received and classes are taught at the school. Dr. Maldonado noted the table does not reflect the state contact hour reimbursement.

Mrs. Zamora noted the majority of the dual credit sections are taught at the schools. She added that the college was breaking even but a small loss was taken when the fees were waived. She noted it was a marketing effort that would allow students to continue through the program.

Mr. Capo noted that the anticipation regarding the dual credit was that the students would continue with HCC but there is not enough data to determine if they are enrolling.

Mr. Loreda inquired if the college receives the state funding for the out of district students. Mrs. Zamora noted that the college does receive the funding.

Dr. Hansen inquired if the Katy and Spring Branch students pay the out of district fee. Ms. Loreda noted only after they graduate and return to HCC.

Mr. Wilson noted that he remembers voting in favor of the item last year in order to compete in the marketplace. He added he would like his vote rescinded if that is not the case.

Vote: Motion passed with a vote of 5-1-1 with Mr. Wilson opposing and Dr. Hansen abstaining.

**ACCEPT DONATION OF IDENTIV, INC. EQUIPMENT FOR LAB TEST USE**

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

Dr. Maldonado noted the item is authorizing the acceptance of Cisco equipment.

Mr. Capo called the question.

Mr. Wilson apprised he had a question on the item.

Mr. Capo withdrew the called the question.

Mr. Wilson inquired of the value of the equipment. Dr. Maldonado noted the attachment referenced the value of each individual piece.

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

*(Mr. Capo stepped out at 7:06 p.m.)*

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

Motion: Dr. Hansen motioned and Dr. Tamez seconded.

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

Mrs. Zamora noted items were consolidated as requested in February.

Mr. Glaser noted he requested the monthly amount paid in debt expense and interest income be included. Mrs. Zamora noted it is around \$3 million for each month and the information could be provided in the Weekly Administrative Brief (WAB).

Mr. Wilson noted he submitted a Trustee inquiry regarding corporations and Senate Bill 6. Mrs. Zamora noted it was answered and that Bank of America is part of Merrill Lynch. Mr. Wilson noted he would like to discuss pulling the firm from the college's investment portfolio.

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

Mr. Loredó noted the following reports items and committee reports were pulled and moved to the next Regular meeting.

- Item A - HCC Foundation Quarterly Report
- Item B - Annual Report to the Board of Trustees from the Bond Oversight Committee
- Item L - Report on West Houston Institute
- Item Q - Report on Bond Capital Improvement Plan (CIP) Related Matters

**ADJOURNMENT**

With no further business coming before the Board, the meeting adjourned at 7:16 p.m.

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

Minutes Approved as Submitted: May 25, 2017