

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

August 8, 2013

Minutes

The Committee of the Whole of the Board of Trustees of Houston Community College held a meeting on Thursday, August 8, 2013 at the HCC Administration Building, 3100 Main, 2nd Floor, Seminar Room A, Houston, Texas.

MEMBERS PRESENT

Bruce A. Austin, Chair
Sandie Mullins, *Vice Chair*
Eva Loreda, Secretary
Leila Feldman
Yolanda Navarro Flores
Herlinda Garcia
Neeta Sane
Carroll G. Robinson

ADMINISTRATION

Renee Byas, Acting Chancellor
Destinee Waiters, Acting General Counsel
Shantay Grays, Executive Officer to the Chancellor
William Carter, Vice Chancellor, Information Technology
Charles Cook, Vice Chancellor, Academic Affairs
Diana Pino, Vice Chancellor, Student Success
Margaret Ford Fisher, President, Northeast College
Fena Garza, President, Southwest College
William Harmon, President, Central College
Zachary Hodges, President, Northwest College
Irene Porcarello, President, Southeast College
Mike Edwards for Betty Young, President, Coleman College
Remmele Young, Executive Director, Government Relations & Sustainability
Janet May, Chief Human Resources Officer

OTHERS PRESENT

Jarvis Hollingsworth, System Counsel, Bracewell & Giuliani
Amanda Edwards, Bracewell & Giuliani
Todd Bisch, President, Faculty Senate
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mr. Austin, Chair called the meeting to order at 5:14 p.m. and declared the Committee convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

Mr. Austin inquired if there is a motion to move any items to the Consent Agenda that do not require discussion.

(Mrs. Flores joined the meeting at 5:17 p.m.)

Motion - Mrs. Sane motioned to move items A1, A2, A3, A7, A10, and A11 to the Consent Agenda.

Mrs. Flores requested to pull item 7 for discussion.

(Mrs. Garcia joined the meeting at 5:18 p.m.)

Motion - Mrs. Sane motioned to moved items A1, A2, A3, A10, and A11 to the Consent Agenda. Mrs. Flores seconded. The motion passed with a vote of 8-0. The following items were moved to the Consent Agenda:

- Investment Report for the Month of May 2013
- Investment Report for the Month of June 2013
- Monthly Finance Report for July 2013
- Payment to Bracewell & Giuliani LLP for Professional Services
- Order Calling for Trustee Election to be Held On Tuesday, November 5, 2013; and Making Provisions Related to the Subject

GROUND LEASE WITH TEXAS MEDICAL CENTER

Motion – Mrs. Sane moved and Mr. Robinson seconded.

Mrs. Renee Byas informed that the lease would be for \$1 for 99 years.

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

INTERIOR PLANT INSTALLATION AND SERVICES (PROJECT NO. 13-44)

Motion – Mrs. Sane moved and Mrs. Feldman seconded.

Mrs. Byas apprised that the contract would be approximate \$34,000 per year at a total cost of \$103,000 for three years. She noted that the average cost would be approximately \$566 per facility. She informed that there are approximately 60 facilities throughout the district.

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Mrs. Flores inquired if the amount is fixed. Mrs. Byas confirmed that it is a fixed amount.

Mrs. Flores inquired if the company was located in Miami. Mr. Rogelio Anasagasti apprised one of the suppliers was located in Florida.

Mr. Robinson noted that he is voting against the item because he would rather have the funds donated to academic costs.

Ms. Loreda inquired if the horticulture program could supply the plants.

Mr. Austin suggested that administration check with the city and county because each of the precinct areas have horticulture departments.

Ms. Mullins inquired if the contract term could be reduced to one year.

Mrs. Byas informed that the administration will work with Dr. Zachary Hodges regarding the horticulture program. She apprised that the term could be reduced to one year.

Mr. Robinson noted that he voted to raise fees for the students at Coleman and will not vote on spending funds for plants.

Ms. Mullins informed that she would like to reduce the term to one year.

Mrs. Flores inquired if it is possible to have maintenance water the plants.

Mrs. Garcia apprised that she finds interior plants inappropriate at this time when there are many disadvantaged students and enrollment is unknown.

Vote – The item failed with a vote of 0-8.

TELEVISION PRODUCTION SERVICES (PROJECT NO. 13-45)

Motion – Mrs. Sane moved and Mr. Robinson seconded.

Mr. Robinson inquired of the go forward plan regarding the contract. Mr. Dan Arguijo noted that the goal is to proceed with procurement. He informed that the services provide original programming and noted that there is five full-time staff for which only three are dedicated to producing the shows on HCC TV. He requested an opportunity to possibly turn the paradigm and noted that he is requesting an extension of the current contract in order to conduct an analysis.

Mr. Austin requested that the Vice Chair assume presiding of the meeting.

Mr. Austin inquired if there has been an allotment for allowing certain advertising on television stations for a contribution and requested Board Counsel to review the fundamental efforts to allow for the sale of time.

Mr. Robinson inquired when the report will be provided.

Mrs. Byas informed that there was only one response and apprised that procurement will review the issues regarding the low response. She also noted that the extension would allow for the analysis.

Mr. Austin resumed presiding of the meeting.

Mr. Robinson requested a report to see where savings is possible. Mr. Arguijo informed that a review of the viability of obtaining internal staff to conduct the services will be conducted.

Mr. Robinson inquired of the possibility of identifying partnerships similar to that of Alief.

Mrs. Garcia apprised that the efforts of working with partnerships such as school districts could be reviewed. She noted that 400 firms were notified and only one responded.

Mrs. Garcia inquired as to where the information was advertised and what research was done to target the various communities. She informed that the various communities need to be respected as they are very diverse. She apprised that she is not able to vote for an item that had only one response out of 400. Mrs. Garcia requested that a review be provided to the Board that includes:

- Why only one response out of 405 firms
- How was advertisement conducted
- If the communications department has reached out to the media

Mrs. Flores inquired if the study of internal versus external would be done prior to entering into the contract and requested an overview of what the study will consist of.

Mr. Arguijo noted that the production companies have informed that the service is not lucrative enough. He apprised that the company is being asked to be a part of the HCC TV team. He noted that he recommended to Procurement not to rush into another two-year contract.

Mrs. Sane inquired if a cost benefit analysis has been conducted from the standpoint of enrollment, student services and engaging community outreach with an identified outcome. She inquired if partnerships have been explored with other local agencies. She informed that there are other stations operating on their own. Mrs. Sane apprised that the Board approved funding under the operating budget and noted that the presumption is that no additional funds are being utilized for the operations.

Mr. Arguijo informed that the partnerships and student learning programs will need to be reviewed in depth before entering another contract.

Mrs. Mullins inquired if the recommended vendor a subsidiary of any firm. Mr. Anasagasti apprised that the firm is a stand-alone.

Mrs. Garcia inquired of the cost. Mrs. Byas noted that the cost would be approximately \$250,000. Mrs. Garcia associated with Mrs. Sane regarding the connection to student success. She informed that the endeavor should be to tie the efforts to student success and apprised that a plan needs to display the target outcome. She noted that she would be voting against the item.

Mrs. Byas informed that the concerns denoted by the Board would be taken into consideration.

Mrs. Flores mentioned internship possibilities and apprised that there are production programs at Northwest and Southwest. She noted that it would be an opportunity to provide experience for students and recommended reviewing the possibility of collaborating with the two HCC colleges that have the program. She informed that Houston Independent School District (HISD) has its own production program and recommended reaching out to these students.

Mr. Austin inquired if technical production is taught. Dr. Cook apprised that there is a program at Northwest and Southwest. Dr. Hodges noted that there is a film program at Northwest College.

Mrs. Garcia informed that the purpose needs to be tied to student success. Mrs. Garcia apprised that former Trustee Diane Olmos Guzman in attendance and noted that she is standing because of space constraints, which is not right because she is a former Trustee.

Mr. Robinson recommended amending to six months term.

Amended motion – Mr. Robinson motioned to amend to a six month contract and Ms. Mullins seconded.

Vote on Amendment – The amendment passed with a vote of 5-3 with Trustees Flores, Garcia, and Loreda opposing.

Vote on Original Motion – The motion passed with vote of 5-3 with Trustees Flores, Garcia, and Loreda opposing.

PROPERTY AND CASUALTY INSURANCE PROGRAM SERVICES (PROJECT NO. 13-35)

Motion – Mrs. Flores moved and Mr. Robinson seconded.

Mrs. Flores inquired why all the services are grouped in one RFP and not broken into multiple pieces to possibly give other firms an opportunity that may be able to provide some of the services.

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Mr. Anasagasti informed that the contract is recommended for one year to allow for the opportunity to review the possibility of revamping the services to be provided. He the effort allows for reviewing the enterprise as a whole and provides opportunities to leverage buying power.

(Mrs. Feldman stepped out at 6:06 p.m.)

Mrs. Byas apprised that there were concerns regarding the short notice and noted that the RFP was sent out to provide an additional period of time.

Mrs. Garcia informed that the market assignment needs to be opened so that others can take advantage of the opportunities. She inquired if Mr. Anasagasti decides the scope of work. Mr. Anasagasti apprised that he does not decide the scope of work. Mrs. Garcia inquired as to which Department decides of the scope. Mr. Anasagasti noted that Risk Management decided the scope for this particular item.

Mrs. Garcia informed that the information was yet again provided at the meeting. Mrs. Garcia inquired of how many years Miles Agency and Harco have had the contracts. Mrs. Byas apprised that both firms have had the contract for six years.

Mrs. Garcia inquired as to who is the consultant. Mrs. Gwen Drumgoole noted that the consultant provides the information from an advising standpoint.

Mrs. Garcia requested that a summary of the information be provided. She inquired if there is a reason that the same firm is recommended. Mrs. Byas informed that the concern was to make certain that there is fairness as it relates to assignment of markets. She apprised that the effort was to make certain the opportunity is provided for everyone. Mrs. Byas noted that a letter was sent regarding the extension to ensure that the competitiveness was fair.

Mrs. Byas informed that the bid closed on August 2, 2013 and apprised that the evaluation committee reviewed the proposals and finalized the review of the item this morning. She noted that the procurement staff completed the tabulation late Wednesday evening which is the reason the item was provided at the meeting today.

Mrs. Garcia inquired as to how long the consultant has had the contract. Mrs. Drumgoole informed that the new contract would be for one year to make certain there is an opportunity to review the RFP to possibly get more participation; the current consultant has been under contract for six years.

Mrs. Garcia asked for a description of the services that Harco provides. Mrs. Drumgoole apprised that Harco handles workers comp, specialty insurance for the truck driving and Upward Bound programs, and allied health for nursing students.

Mrs. Garcia inquired if administration was aware of any conflict of interest. Mrs. Byas noted that measures were taken to make certain that there was fairness.

Mrs. Sane requested for clarification that the correct method of procurement was used for the services. Mrs. Byas informed that the correct procurement was utilized.

Mr. Robinson apprised that if the consultant contract expires in October 2013, efforts should be taken to make certain that the item does not come for Board approval as an emergency.

Mr. Robinson requested an evaluation regarding owner insured for the bond program. He requested a review and that the information be provided to the Board.

Mrs. Loreda inquired if there is a reason why the scoring was low. Mr. Anasagasti noted that technically, Miles Agency was the highest scoring; he informed that the desire is to see contractors to score in the high range. He apprised that the scoring is reviewed to make certain there is not abnormality. Mr. Anasagasti noted that the scores on some of the firms were low because of pricing.

(Mrs. Feldman returned at 6:23 p.m.)

Mr. Austin informed that the discussion denoted that there will need to be procurement documents for the consultant services for insurance. He apprised that the other issue is to diversify the assignment of markets to provide more opportunities.

Mrs. Garcia noted that the issue should be revisited and inquired of the amount for one year. Mrs. Drumgoole informed that the contract for one year is \$6.5 million. She informed that the current contract expires on September 1, 2013.

Vote – The motion passed with a vote of 5-3 with Trustees Flores, Garcia, and Loreda opposing.

Mr. Austin recommended that administration provide a mockup of the RFP.

ARMORED CAR TRANSPORTATION SERVICES (PROJECT NO. 13-43)

Motion – Mrs. Flores moved and Mrs. Sane seconded.

Ms. Mullins inquired if the item is new services. Mrs. Byas noted that the item is not new and the response was low because of the number of routes and the dollar amount.

Mrs. Mullins inquired if the firm has been used previously. Mr. Anasagasti informed that the effort was to reach out to the markets as customary and apprised that there was a call to the services managers. He noted that the firms chose not to respond.

Mr. Robinson informed that if responses are not received, then a review needs to be made regarding the advertising sources. He apprised that some sort of evaluation needs to be made regarding where the notices are advertised.

Mr. Austin inquired as to where to review the circulation of the newspapers. Mr. Robinson noted that some solicitation may not be the appropriate place for various commodities. He informed that he has not seen advertisement in the Houston Business Journal or Forward Times. He apprised that the comments are not to discourage the use of the current newspaper but there should be an evaluation to review the best possible circulation media.

Mr. Anasagasti noted that the efforts of procurement are to develop a notice that would drive potential vendors to the Procurement website.

Mrs. Garcia inquired as to how much the public relations (PR) firm receives annually. Mrs. Byas informed that the total contract is a little over \$1 million. Mrs. Garcia recommended that the PR firm review best sources to advertise.

Mr. Austin requested that the research information gathered by Mr. Anasagasti is provided with the circulation numbers and apprised that the Board desires to see the name of the firm, circulation, and region. He requested that the information is provided by the September meeting.

Vote – The motion passed with vote of 8-0.

FINANCIAL ADVISORY SERVICES (PROJECT NO. 13-42)

Motion – Mrs. Sane moved and Mr. Robinson seconded.

Mr. Robinson noted that his inquiry would be to receive an update regarding the debt payment schedule once the firm comes on board.

Mrs. Flores informed that the contract term reflects five years. Mr. Anasagasti apprised that the administration referenced the Board policy; however, the contract would speak to alternatives should there be a performance issue.

Mrs. Sane inquired if there are clauses in the contract should there be dissatisfaction with the services. Mr. Anasagasti confirmed that there are provisions in the contracts regarding unsatisfactory work.

Mrs. Garcia noted that the scoring was close and inquired as to what made the difference. Mr. Ron Defalco informed that the recommended vendor had the lowest price.

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

UPDATE ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS

Mrs. Byas provided an update as follows:

Bond Oversight Committee

Mrs. Byas apprised that only three names have been received from the Trustees regarding the Board's appointments to the committee. She noted that the names are due as soon as possible and should be submitted to Board Services.

Mrs. Byas informed that a notice has been posted in the local newspaper regarding the At-Large seats on the Bond Oversight Committee. She noted that because of the low response, the presidents will be asked to provide the names of six individuals for consideration by the evaluation committee for recommendation to the Board.

Mrs. Flores inquired as to what the application says. Mr. Austin recommended that the application be provided to the Trustees.

Construction Audit Firm

Mrs. Byas apprised that a firm has been identified and noted that the firm is on the state list. She informed that the recommendation would be presented for the Board's approval.

Mr. Anasagasti apprised that the initial scope will be well below the new statute passed by the state.

Chief Capital Bond Projects Officer Search

Mrs. Byas noted that the position has been posted. She informed that the person is to work with facilities to ensure that the projects will be completed on time.

Mr. Robinson inquired of the difference between the Chief Capital Bond Projects Officer and the Program Manager. He apprised that the description of duties is similar.

Mr. Robinson inquired as to whom the position will report. Mrs. Byas noted that the position would report to Facilities with a dotted line to the Chancellor.

Mrs. Sane informed that she has the same concerns as Trustee Robinson.

Mr. Robinson apprised that the Chief Capital Bond Projects Officer was not listed on any of the documentation provided to the Board. He noted that the Program Manager would work with the Facilities department. Mr. Robinson stated that now it appears that a staff person would be hired in facilities with the same job description as that of the Program Manager.

Mrs. Sane inquired as to where the person would fit with the hiring of the Program Manager.

Mrs. Garcia recommended to the Board Chair to bring in a temporary consultant to conduct an assessment. She apprised that a decision can be made once the assessment is reviewed. She inquired as to who would be the watch person to make certain the projects are on target. She recommended that the Board be provided with a manning chart depicting the various reporting mechanism.

Mrs. Flores informed that the Chief Capital Bond Projects Officer was not approved by the Board. She apprised that the position was brought in at the last minute by Dr. Art Tyler.

(Mrs. Garcia stepped out at 7:00 p.m.)

Mrs. Sane conferred that there was not an approval of the Board.

Mr. Austin noted that there needs to be a delineation to show the relationship between who protects the owner's interest and design team.

Mr. Robinson informed that there is a construction audit firm that would report to the Board through the audit committee. He apprised that facilities are owner of the Program Manager and three Project Managers. He noted that a description was approved for each Program and Project Managers.

Mrs. Byas informed that she will provide a definitive role of each of the positions.

Mr. Robinson apprised that he is not supportive of a Chief Capital Bond Projects Officer.

Mr. Winston Dahse noted that there is a process in place according to that approved by the Board. He informed that the goal of the Program Management team is to provide the rules of the game.

Mrs. Flores requested a copy of the manning chart. Mrs. Byas apprised that it would be provided to the Board.

Ms. Loredó inquired if Mrs. Byas feels that the position for the Chief Bond Projects Officer is needed. Mrs. Byas informed that she would discuss the concern with Mr. Dahse to determine if there is a need for the position.

(Mrs. Flores stepped out at 7:08 p.m.)

Ms. Mullins inquired if there will be a timeline provided to the Board in September 2013. Mrs. Byas apprised that there will be a timeline provided.

Mr. Dahse noted that there is no choice but to meet the deadline. He informed that the Program and Project Managers have agreed to push the projects forward.

Mr. Robinson inquired as to who will be responsible for keeping the bond website updated. Mr. Dahse apprised that the information would be fed internally.

(Mrs. Flores returned at 7:12 p.m.)

Mr. Austin requested that the Chancellor provide the information outlining the recommended management process. He recommended using best practices regarding the process.

UPDATE ON INTERIM VICE CHANCELLOR FOR FINANCE SEARCH

Mrs. Byas noted that there would no longer be a Chief Operating Officer position. She informed that the Vice Chancellor for Finance position would be temporary and would be identified through a search firm.

Mr. Austin informed that there needs to be a manning chart so that the Board could review relationship between functions.

Mrs. Flores apprised that prior to Dr. Tyler each department handled their own responsibilities.

Mrs. Garcia asked Mr. Ron Defalco to elaborate on his department. Mr. Defalco noted that everything regarding money comes through his department.

Mrs. Garcia recommended reviewing the department needs to see if there is truly a need for the Vice Chancellor of Finance. She recommended that there is not a haste regarding the position and that a review is conducted regarding the finance department.

Mrs. Sane inquired if Mr. Defalco is also over investments and debt management. Mr. Defalco informed that he handles investments.

Mrs. Garcia apprised that there needs to be some sensitivity given to the issue and ensure that the staff and presidents have what they need.

Mrs. Sane noted that the efforts are not to micro-manage and informed that the Acting Chancellor should provide a recommendation to the Board to show what is needed for the next twelve months. She apprised that the person for the position should know the institution and be in the best interest of the college.

Mr. Robinson noted that he supports the Chancellor. He informed that enrollment is down and apprised that there is a carrying cost for the faculty. He noted that if things go bad, he is sensitive to having to layoff faculty members as well as the fact that there is a debt.

Mr. Robinson informed that some tough decisions will have to be made. He apprised that as he runs the numbers, he would rather save the money. He noted that the Board has not finished the conversation regarding a permanent Chancellor.

Mr. Austin informed that he is concerned with depleting the reserve especially just before hurricane season.

Mrs. Garcia apprised that the Chancellor works at the will of the Board. Mr. Austin noted that the Board must articulate expectations.

Mrs. Garcia informed that things should be slowed down because when the permanent Chancellor comes on board, he or she will select their own team. She apprised that administration should cease adding new positions.

REPORT FROM INTERIM CHANCELLOR SEARCH COMMITTEE

Mrs. Mullins provided the following report from the Interim Chancellor Search Committee Meeting:

Executive Search Services

The Interim Chancellor Search Committee recommended the following revisions regarding the Executive Search Services:

- The Board Chair would negotiate the contract
- The contract term would be for one year
- The search firm would conduct the permanent search

Mrs. Flores mentioned that a timeline should be placed on the search and noted that the Association of Community College Trustees (ACCT) should move as expeditiously as possible.

Mr. Austin recommended that a timeline be provided before dates are mentioned.

REPORT FROM BOARD GOVERNANCE

Mrs. Sane provided the following report from the Board Governance Committee meeting held on August 8, 2013:

Proposed Revisions to Board Bylaws

Mrs. Sane noted that proposed revisions to the Board bylaws regarding Article A on prohibited communications and blackout period have been moved to the Consent Agenda.

Mrs. Feldman informed that she did not vote on the item in Committee because she had concerns if it is realistic for the solicitation to be completed within the recommended timeframe.

Mrs. Sane apprised that she will work with Board Counsel to determine an applicable timeframe for this institution. She noted that the purpose is to enhance institutional efficiencies and effectiveness.

Mr. Hollingsworth apprised that the current policy states the blackout period does not end until 30 days after all parties signed the contract. He noted that the revisions call for the blackout period to ends 45 days after RFP closes or when the Board awards the contract or when administration decides to pull and not go through with negotiations, whichever comes first.

Mr. Hollingsworth informed that the concern raised by Mrs. Feldman was that the communications may reopen before the contract has been signed.

Mr. Robinson apprised that he has been asking for a listing of all the contracts and contract expiration dates since coming on board. He noted that it appears that no one in the system knows what contracts are in place. He informed that someone should have a database of when the contract expires. He requested that the calendar be provided with expiration dates to allow for review by the Board.

(Mrs. Feldman stepped out at 7:51 p.m.)

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Mr. Robinson inquired as to when the solicitation for the Insurance Broker went out. Mr. Anasagasti apprised that the solicitation went out May 14th and closed on August 2nd.

Mrs. Sane recommended that a vote is taken on the item at the Regular meeting next week.

Mr. Hollingsworth noted that the Procurement Department should provide a list of annual contracts to the Board no later than February 1st of each calendar year.

Mrs. Garcia informed that the Procurement Department should not be the only one held accountable. She inquired as to who does the Procurement Department reports to. Ms. Destinee Waiters apprised that Procurement Department reports to the General Counsel.

ADJOURNMENT

With no further business, the meeting adjourned at 7:55 p.m.

Recorded, transcribed and submitted by:
Sharon R. Wright, Manager, Board Services

Minutes Approved: September 19, 2013