

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

February 16, 2016

Minutes

The Board of Trustees of Houston Community College met as a Committee of the Whole on Tuesday, February 16, 2016, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

MEMBERS PRESENT

Adriana Tamez, *Chair*
Robert Glaser, *Vice Chair*
Carolyn Evans-Shabazz, *Secretary*
Zeph Capo
John P. Hansen
Eva Loredo
Dave Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
Melissa Gonzalez, Chief of Staff
Ashley Smith, General Counsel
Teri Zamora, Senior Vice Chancellor, Finance and Administration
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academic Officer
Butch Herod, Vice Chancellor, Innovation, Planning and Institutional Analytics
Madeline Burillo, Interim President, Southwest College
Zachary Hodges, President, Northwest College
Kenneth Holden representing Margaret Ford Fisher, President, Northeast College
Phillip Nicotera, President, Coleman College
Irene Porcarello, President, Southeast College
Janet May, Chief Human Resources Officer
Carme Williams, Executive Director, HCC Foundation

OTHERS PRESENT

Jarvis Hollingsworth, Board Counsel, Bracewell & Giuliani
Other administrators, citizens, and members of the press

CALL TO ORDER

Dr. Tamez, Chair, called the meeting to order at 4:30 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)

Dr. Tamez called for a motion to approve the items on the consent agenda.

Motion - Mr. Capo moved and Dr. Hansen seconded.

Motion Withdrawn - Mr. Capo and Dr. Hansen withdrew the motion to approve the consent agenda items.

UPDATE ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS

Dr. Maldonado invited Mr. Charles Smith, Chief Facilities Officer, to provide a status update of the bond projects.

Mr. Smith provided an update on the following:

- Interns & Apprenticeships (28 interns)
- October Budget Report
- Small Business Enterprise
- Permit & Construction Schedule
- IRS Spending Requirements
- IRS Projections
- West Loop Parking Garage
- Stafford Workforce Building
- Brays Oaks
- Eastside Workforce Building
- Eastside Student Center
- Felix Fraga STEM
- Central South
- Acres Homes
- West Houston Institute
- Northline Central Plant
- Coleman Health Tower

Dr. Hansen requested a copy of the presentation for Board members. Mr. Smith stated that due to the size of the presentation, an electronic copy would be difficult to send. Dr. Maldonado added that the presentation would be printed and mailed to the Trustees.

Mr. Charles Smith stated Alief Hayes is the first of the bond projects completed.

Mr. Capo inquired why West Loop Parking Garage and West Houston Institute had a significant difference on (SBE) Small Business Enterprise numbers. Mr. Smith explained that the West Loop garage is an all pre-cast concrete project. He noted Houston does not have pre-casting small business enterprises; therefore, the pre-cast for the project came from San Antonio. He stated that the project given authority to come below the official target to make up the SBE is the only one since it was not possible to reach the number given the scope of work of the project.

Mr. Capo inquired about the status of the North Forest groundbreaking scheduled for December 2015. Mr. Smith explained a “notice to proceed” for the interior demolition was issued. He informed that all visible exterior work was placed on hold.

APPROVAL OF THE OFFICIAL HCC SCHEDULE OF TUITION AND FEES

Motion – Dr. Tamez moved and Mr. Capo seconded.

Dr. Maldonado informed that the effort is to bring the items as a one-time approval on an annual basis instead of piecemealing the schedule as in the past.

Ms. Teri Zamora, Sr. Vice Chancellor of Finance and Administration provided a summary of the following fees: Elimination of the diploma fee (English 1301 Course material fee Northwest only), Technology fee and change the naming convention for out-of-district and out-of-state tuition fees. She stated the elimination of the diploma fee would decrease revenues annually by approximately \$52,000.

Vote - The motion passed with a vote of 7-0.

APPROVAL OF AMENDMENT TO GROUND LEASE BETWEEN HCC AND TMC

Motion - Mr. Capo moved and Mr. Glaser seconded.

Dr. Maldonado requested authorization to negotiate an amendment to the Texas Medical Center ground lease to update the legal description of the lease area, provide temporary construction workspace and easement access to memorialize TMC’s approval for a stairway access encroachment.

Vote - The motion passed with a vote of 7-0.

ADOPTION OF RESOLUTION FOR TEXPOOL PARTICIPATION

Motion - Mr. Capo move and Dr. Evans-Shabazz seconded.

Dr. Maldonado recommended approving the resolution authorizing participation in the Texas Local Government Investment Pool (TexPool) and the TexPool Prime and designating authorized representatives.

Vote - The motion passed with a vote of 7-0.

STAFFORD WORKFORCE CAMPUS MANUFACTURING CENTER OF EXCELLENCE EQUIPMENT PURCHASE (COOPERATIVE PURCHASE)

Motion - Mr. Capo moved and Dr. Evans-Shabazz seconded.

Dr. Maldonado requested authorization to negotiate and execute a contract award with Technical Laboratories Inc., to purchase various robotics and control devices, under cooperative contract for use at the HCC Stafford Campus Workforce facility.

Vote - The motion passed with a vote of 7-0.

HAAS CNC LATHES, MILLS, AND SIMULATORS-STAFFORD CAMPUS (PROJECT NO. 16-14)

Motion - Mr. Capo moved and Ms. Loredo seconded.

Dr. Maldonado requested authorization to negotiate and execute a contract with Champions Machine Tool Sales, Inc. to purchase HAAS CNC Lathes, Mills and Simulators at HCC Stafford Campus in accordance with RFP 16-14.

Mr. Wilson questioned if the equipment is included in the bond monies and why is it before the board. Dr. Tamez appraised that cost is over the signature authority limit and needs board approval.

Mr. Smith confirmed bond monies will be used for the construction and noted heavy equipment is being purchased outside the budget for savings requiring a Board approval.

Mr. Glaser inquired about the savings of the purchase. Mr. Smith specified the savings is about one third (1/3) of the amount shown. Dr. Hansen asked if the company was unique from the others. Mr. Smith stated other bids were not solicited. Dr. Hansen asked if Champions Machine Tool Sales is exclusive in the area. Mr. Smith confirmed the company is exclusive in the area. Mr. Glaser agreed Champions Machines Tools Sales do have geographic distribution agreement for this area.

Vote - The motion passed with a vote of 7-0.

BRIDGEPORT SERIES 1 MILLING MACHINE HCC STAFFORD CAMPUS (PROJECT NO. 16-12)

Motion – Mr. Capo moved and Dr. Evans-Shabazz seconded.

Dr. Maldonado requested authorization to negotiate and execute a contract with Rex Supply Company to purchase Bridgeport Series 1 Milling Machines for use at the Stafford Campus in accordance with RFP 16-12. Cost of the machine is \$105,282.

Dr. Hansen noted HCC was not using low bidder on the item. Mr. Rogelio Anasagasti, Executive Director of Procurement Operations affirmed the award recommendation was based on best value.

Vote - The motion passed 6-1, with Mr. Wilson opposing.

STANDARD MODERN LATHES FOR STAFFORD AND SOUTH CAMPUSES

Motion - Mr. Capo moved and Mr. Glaser seconded.

Dr. Maldonado asked Mr. Anasagasti to summarize the negotiation of a contract with Racer Machinery International, to purchase 16 standard Modern engine lathes and related equipment.

Mr. Anasagasti appraised the item qualifies under section 44.031(j) of the Texas Education Procurement Code based on being a “single source” provider. He noted the purpose of purchasing the recommended standard modern engine lathes is to ensure standardization alignment with the advisory board and industry needs across the system for the program.

Mr. Glaser asked about the uniqueness of the machine. Dr. Kimberly Beatty, Vice Chancellor for Academic Affairs explained the machinery request was a collaborative discussion with the advisory board and faculty and noted the standard modern lathes are an essential part of the National Institute for Metal Working Skills and NIMS accreditation used extensively in precision high tech machine shops in Canada and the US Military, technical colleges, and trade schools.

Ms. Loreda asked if this machinery is for workforce. Mr. Anasagasti confirmed the machine is for a very specific set of skills.

Vote - The motion passed with a vote of 7-0.

BOOKSTORE AND RELATED SERVICE (PROJECT NO. 16-23)

Motion - Mr. Capo moved and Dr. Hansen seconded.

Dr. Maldonado requested to authorize negotiate and execute a contract with Barnes & Noble College book sellers to provide bookstore and related services in accordance with RFP 16-23. Mr. Capo appraised he would vote against the item and added since 2013 discussions have not resume on the use of auxiliary funds and prioritization on the use of those funds. He further stated that until further discussion happens, he would not be approving any future auxiliary fund programs.

Dr. Hansen requested clarification between the bookstore and the auxiliary funds. Mr. Capo clarified the bookstore funding comes out of the contract; and goes into the fund three (3) auxiliary fund accounts. The unrestricted section gives the ability to utilize the revenue in the current budget or where needed. He noted there has not been a discussion and prioritization approved by the Board for the use of Fund 3 items.

Dr. Hansen asked if Mr. Capo was moving to defer consideration. Mr. Capo stated he was open to defer to the next meeting.

Mr. Capo withdrew his original motion and Dr. Hansen the seconded.

Mr. Capo motioned to confer further on Fund 3 auxiliary funds in the immediate future, and Mr. Glaser seconded.

Ms. Loreda stated books are very expensive and inquired if Barnes & Noble is the only vendor, and if there are other options for students. Mr. Anasagasti commented there were strong competitors in the bidding process and historically, the recommended vendor has worked well with HCC. Dr. Beatty added there is an instructional materials committee headed by Dr. Stephen Levey, Associate Vice Chancellor of Academics looking at open educational resources and other approaches for textbooks.

Dr. Maldonado commented on how having a common management of academics is a big driver in transformation. He added HCC is moving towards a common textbook requirement to keep the cost down for students.

Mr. Wilson questioned the length of the contract and how it is determined what goes into the auxiliary funds. Ms. Zamora clarified that any type of enterprise, such as this, has to flow through auxiliary funds. She added that over the five (5) year period, the projected revenue is \$14.2 million with guaranteed first year revenue of \$3 million. Mr. Wilson asked why not cut the profit and pass it to the students. Ms. Zamora explained that for the past two (2) years scholarship funds have been in place from the bookstore proceeds.

Dr. Maldonado added that the uses of the auxiliary funds are Board approved every budget cycle. Ms. Zamora commented that Barnes & Noble pays HCC a percentage of their sales as a lease payment, with a \$3 million guarantee the first year and the remaining is sales based.

Mr. Capo stated the auxiliary fund was included in the approved budget, but there was no strategic discussion on the usage of the funds and noted discussions need to take place ahead of time to discuss projections and prioritization.

Vote - The motion passed with a vote of 5-1-1 with Mr. Capo opposing and Mr. Wilson abstaining.

REROOFING AT HCC'S KATY CAMPUS (PROJECT NO. 16-04)

Motion - Mr. Capo moved and Ms. Loredo seconded.

Dr. Maldonado requested authorization to negotiate and execute contract with CS Advantage USAA, Inc., to provide reroofing at the Katy Campus in accordance with IFB 16-04 with a bid of \$469,000.

Dr. Hansen and Mr. Wilson recommended moving item to closed session.

Motion Withdrawn - Mr. Capo and Ms. Loredo withdrew their motions.

HCC ADMINISTRATION BUILDING EYEBROW REROOFING AT 3100 MAIN (PROJECT NO. 16-05)

Motion - Mr. Capo moved and Ms. Loredo seconded.

Dr. Maldonado requested authorization to negotiate and execute a contract with CS Advantage USAA, Inc., to provide eyebrow reroofing at 3100 Main in accordance with IFB 16-05 at a bid of \$1,795,000.

Mr. Wilson asked for clarification on previous discussions on the roofing contracts. Mr. Smith clarified a district-wide roof survey was conducted in the summer and presented to the Board regarding the procurement plan on the roofs needing repair or replacement for the current fiscal year.

Dr. Hansen inquired why one of the four bidders has shorter time duration for the project compared to others. Mr. Anasagasti explained the emphasis and the procurement method was driven on the lowest price.

Vote – The motion passed with a vote of 7-0.

PHYSICAL THERAPY ANATOMAGE TABLE FOR COLEMAN COLLEGE

Motion – Mr. Capo moved and Ms. Loredo seconded

Dr. Maldonado requested authorization to negotiate and execute contract with Anatomage, Inc., for the turnkey purchase of a digital 3D imaging table for instructional purpose at Coleman College and noted the cost is \$84,450.

Vote - The motion passed with a vote of 7-0.

INVESTMENT REPORT FOR THE MONTH OF DECEMBER 2015; MONTHLY FINANCIAL STATEMENT AND BUDGET REVIEW FOR DECEMBER 2015

Motion – Mr. Capo moved to combine items 13 & 14 and Ms. Loredo seconded.

Ms. Zamora summarized that the Investment Report and Financial Statement for the month of December 2015 and noted the revenue and expenses are on target with the budget.

Vote - The motion passed with a vote of 7-0.

ADJOURNED TO CLOSED SESSION

Dr. Tamez adjourned the meeting to Executive Session at 5:48 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. Dr. Tamez stated that any final action, vote or decision on any item discussed in Executive Session would be taken up in Open Session or in a subsequent Public Meeting.

Dr. Tamez reconvened the meeting in Open Session at 6:48 p.m. and entertained any motions on pending matters.

(The following Trustees were present: Tamez, Hansen, Glaser, Capo, Evans-Shabazz, Loredo and Wilson).

REROOFING AT HCC'S KATY CAMPUS (PROJECT NO. 16-04)

Motion - Mr. Capo moved and Ms. Loredo seconded

Vote - The motion passed with a vote of 7-0.

APPROVAL OF LEASE AGREEMENT FOR 5505 WEST LOOP SOUTH HOUSTON, TEXAS

Motion - Mr. Capo moved and Ms. Loredo seconded.

Vote - The motion passed 5-1-1 with Mr. Wilson opposing and Dr. Hansen abstaining.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 6:49 p.m.

Minutes recorded, transcribed & submitted by:

Rose Sarzoza-Pena, Manager, Board Services

Minutes Approved as Submitted: April 21, 2016