

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

February 20, 2014

Minutes

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, February 20, 2014, at the HCC Administration Building, 2nd Floor, 3100 Main in Seminar Room B, Houston, Texas.

MEMBERS PRESENT

Neeta Sane, *Chair*
Christopher W. Oliver, *Vice Chair*
Robert Glaser, *Secretary*
Zeph Capo
Eva Loredo
Sandie Mullins
Carroll G. Robinson
Adriana Tamez
David B. Wilson

ADMINISTRATION

Renee Byas, Acting Chancellor
Destinee Waiters, Acting General Counsel
Shantay Grays, Chief of Staff
William Carter, Vice Chancellor, Information Technology
Charles Cook, Vice Chancellor, Academic Affairs
Thomas Estes, Vice Chancellor, Finance and Planning
Diana Pino, Vice Chancellor, Student Services
Fred Zeidman, Vice Chancellor, Vice Chancellor, Institutional Effectiveness
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
Betty Young, President, Coleman College
Janet May, Chief Human Resources Officer
Remmele Young, Associate Vice Chancellor, Governmental and External Affairs
Carmetha Williams, Executive Director, HCC Foundation

OTHERS PRESENT

Jarvis Hollingsworth, System Counsel, Bracewell & Giuliani
Tom Sage, Bond Council, Andrews & Kurth
Jorge Rodriguez, Financial Advisor, Coastal Securities
Michelle Novak, President, Faculty Senate
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mrs. Sane, Chair, called the meeting to order at 5:15 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

Mrs. Sane advised that the various committees that met prior to the Committee of the Whole meeting will provide reports. She inquired if any members wanted to discuss the items listed as reports from the appointed and/or ad hoc committees. She informed that most of the members were present for the various committee meetings.

Ms. Mullins apprised that she would like a discussion on item III.C.10 regarding Resolution Authorization Preliminary Official Statement and Issuance of Combined Fee Revenue and Refunding Bonds, Series 2014 and Redemption Prior to Maturity of Certain Outstanding Bonds.

RESOLUTION AUTHORIZING PRELIMINARY OFFICIAL STATEMENT AND ISSUANCE OF COMBINED FEE REVENUE AND REFUNDING BONDS, SERIES 2014 AND REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS

Motion – Ms. Loreda moved and Mr. Capo seconded to discuss.

Mr. Jorge Rodriguez, Financial Advisor, Coastal Securities provided an overview of the transaction and present value savings.

Mr. Capo inquired if the difference in cash flow was included in the numbers provided by Dr. Estes during the budget workshop. Dr. Estes noted that there will possibly be a savings in expenditures.

Mr. Glaser inquired if the cash flow benefit was factored. Dr. Estes informed that no cash flow has been factored.

Mr. Robinson apprised that he would prefer to eliminate debt and review options for reducing expenses by \$2 million.

Mr. Tom Sage, Bond Counsel, Andrews & Kurth noted that the transactions would not be to just pay off the debt but to reduce the interest rate as well.

Mr. Robinson informed that the item will revolve around enrollment. He apprised that a conversation has not been held with Dr. Estes or the Board regarding enrollment. He noted that there has not been a conversation regarding the projected revenues.

Mr. Sage informed that the debt is not backed by taxes. Mr. Robinson apprised that his concerns are regarding revenue. He noted that there should be a conversation with administration regarding their potential recommendation for tuition and/or tax increases. He noted that if administration reduces the debt, it should not increase expenditures.

Mrs. Sane recommended placing the discussion on the next budget workshop agenda.

Mr. Glaser noted that other institutions had similar debt and informed that he would not want to be in a situation that allows the bondholders to dictate tuition rates.

Mr. Sage apprised that there is a rate covenant that the college will set sufficient rates and repay.

Mr. Wilson recommended utilizing savings to reduce tuition to attract more students.

(Mr. Oliver joined the meeting at 5:38 p.m.)

Vote - The motion passed with a vote of 9-0.

UPDATE ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS

Mr. Winston Dahse provided an update on the CIP project. He noted that most of the programming for the projects has been completed and have been signed off on by the presidents. He informed that some of the projects are in the early stages of design. Mr. Dahse apprised that the spending requirements for the year have been met. He noted that the Bond Oversight Committee met on Wednesday, February 19, 2014 and apprised that the committee set their meeting schedule for the remainder of the year.

Mr. Robinson inquired of the status of the apprenticeships. Mrs. Byas informed that the information has been added to the contracts and noted that Mr. Rogelio Anasagasti will provide a report at a later date.

Mr. Robinson inquired if everything is situated regarding the Brays Oaks project. Mrs. Byas apprised that additional discussion is needed with the City of Houston.

Dr. Tamez inquired if the college website contains bond information. Mr. Dahse provided direction for accessing the bond website and noted that the community could visit the college at www.hccs.edu and click on the bond updates link.

ADJOURNED TO CLOSED SESSION

Mrs. Sane adjourned the meeting to Executive Session at 5:46 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. Mrs. Sane 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.

Mrs. Sane reconvened the meeting in Open Session at 7:31 p.m. and entertained motions on pending matters.

(Present: Trustees Capo, Glaser, Lored, Sane, Tamez, and Wilson)

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 7:31 p.m.

Minutes recorded, transcribed & submitted by:
Sharon Wright, Manager, Board Services

Minutes Approved as Submitted: April 17, 2014