

**SPECIAL MEETING  
OF THE BOARD OF TRUSTEES  
HOUSTON COMMUNITY COLLEGE**

**May 14, 2015**

**Minutes**

The Board of Trustees of Houston Community College held a Special Meeting on Thursday, May 14, 2015, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

**MEMBERS PRESENT**

Zeph Capo, *Chair*  
Robert Glaser, *Vice Chair*  
Adriana Tamez, *Secretary*  
Eva Loredo  
Sandie Mullins  
Neeta Sane  
David Wilson

**ADMINISTRATION**

Cesar Maldonado, Chancellor  
Shantay Grays, Chief of Staff  
E. Ashley Smith, Acting General Counsel  
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academic Officer  
William Carter, Vice Chancellor, Information Technology  
Butch Herod, Vice Chancellor, Innovation, Planning and Institutional Analytics  
Irene Porcarello, Interim Vice Chancellor, Student Services  
Teri Zamora, Vice Chancellor, Finance and Administration  
Michael Edwards, Acting President, Coleman College  
Margaret Ford Fisher, President, Northeast College  
Julian Fisher for Fena Garza, President, Southwest College  
Zachary Hodges, President, Northwest College  
William Taft for Rudy Soliz, Interim President, Southeast College  
Janet May, Chief Human Resources Officer

**OTHERS PRESENT**

Jarvis Hollingsworth, Board Counsel, Bracewell & Giuliani  
Susan Goll, President, Faculty Senate  
Jodi Kahn, President, COPA  
Other administrators, citizens and representatives from the news media

**CALL TO ORDER**

Mr. Zeph Capo, Chair, called the meeting to order at 3:00 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, Glaser, Mullins, Sane, Tamez, and Wilson)*

**ADJOURNED TO CLOSED SESSION**

Mr. Capo adjourned the meeting to Executive Session at 3:01 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. Mr. Capo 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.

Mr. Capo reconvened the meeting in Open Session at 3:32 p.m. and entertained any motions on pending matters.

Mr. Capo informed that Dr. Tamez had to leave due to an emergency.

*(The following Trustees were present: Capo, Glaser, Loredo, Mullins, Sane, and Wilson)*

**AUTHORIZE THE REPAYMENT OF PFC LEASE REVENUE BONDS SERIES 2005A WESTGATE**

Motion – Ms. Mullins moved and Ms. Loredo seconded.

Mrs. Teri Zamora noted that the goal is to reduce the debt. She informed that more operating maintenance tax will be received than anticipated. Mrs. Zamora apprised that it would be advisable to use some of the funds from the maintenance tax revenue to pay down debt.

Vote - The motion passed with a vote of 6-0.

**RESOLUTION AUTHORIZING THE ISSUANCE OF COMBINED FEE REVENUE AND REFUNDING BONDS, SERIES 2015 AND REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS**

Motion – Mrs. Sane moved and Ms. Mullins seconded.

Dr. Cesar Maldonado noted that the item is regarding the reduction of debt. He yielded Mrs. Zamora to provide an overview. Mrs. Zamora noted that the proposal is to sale using underwriters and informed that the effort is to combine the junior lien bonds and two Public Facility Corporation (PFC) bonds.

Ms. Loredo inquired if all five of the firms would be used. Mrs. Zamora noted that the five firms would be used.

Mr. Glaser inquired if the procurement requires minority participation and asked for an explanation regarding the PFC. Mrs. Zamora informed that the procurement did not require minority participation and apprised that the debt would be under HCC instead of the PFC.

Ms. Mullins requested to hear from the Financial Advisors and inquired of the decision made to change the deal. Mr. Jorge Rodriguez, Financial Advisor, apprised that the decision was to pay the smaller bonds with operating funds.

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Mr. Capo noted that the five firms are not equally weighted and inquired as to how it would work regarding the liability. Mr. Rodriguez informed that the weight is not equally distributed and apprised that the first firm would have the lion's share of liability.

Mr. Wilson inquired if the smaller bonds were included. Mr. Rodriguez apprised that approximately \$8 million for Westgate will be paid off and is not included in the action for the combined fee revenue and refunding bonds. He noted that the subsequent item to be considered will address the general obligation bond.

Vote - The motion failed with vote of 4-2 with Trustees Glaser and Wilson opposing.

**AUTHORIZE THE REPAYMENT OF PORTION OF 2013 LIMITED TAX GENERAL OBLIGATION BONDS CALLABLE IN 2015**

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

Dr. Maldonado apprised that Mrs. Zamora would review the General Obligation (GO) Bonds. Mrs. Zamora informed that this is an opportunity to pay off approximately \$4 million that would provide a savings to the college and apprised that it would be paid with this year's cash flow.

Ms. Loreda inquired of the balance if the item is payoff. Mrs. Zamora noted that there would be a zero on net cash effect. She informed that the effect of the fund balance would be net zero.

Mr. Capo inquired if the failure of the refunding will impact the cash flow. Mrs. Zamora apprised that the effect is approximately \$1 million annually.

Mrs. Sane inquired if there is a timeline, or can item B be brought back to the Board. Mrs. Zamora noted that the transactions are subject to interest rates. Mr. Jarvis Hollingsworth informed that the same exact item may not be brought back.

Dr. Maldonado deferred to Mrs. Zamora to clarify the difference between the refunding and debt reduction.

Vote - The motion passed with a vote of 5-1 with Trustee Capo opposing.

**HCC BOARD OF TRUSTEES SELF-EVALUATION (PROJECT NO. INFORMAL REQUEST FOR PROPOSAL 15-15)**

Motion – Mr. Glaser motioned to approve and Mrs. Sane seconded.

Mr. Glaser provided an overview of the Board Self-Evaluation committee meeting and the procurement. He apprised that two responses were received. He noted that the committee approved to accept the proposal from the Association of Community College Trustees.

Ms. Mullins inquired if the fee includes travel. Mr. Glaser informed that the fee is an estimate that includes travel.

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Ms. Mullins inquired if the evaluation is a requirement of the Southern Association of Colleges and Schools (SACS). Dr. Maldonado apprised that it is not a requirement of SACS. Mr. Hollingsworth noted that the Board bylaws require that the Board conduct an annual self-evaluation.

Vote - The motion passed with a vote of 6-0.

**CONSIDER ADDITION OF HOUSE BILL 544 TO HCC LEGISLATIVE PRIORITIES**

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

Mr. Capo informed that HB544 is sponsored by Representative Harold Dutton to require school districts to provide payment for developmental education. He apprised that the discussion has been held regarding dual credit but noted that the flip side of the discussion is regarding who should be absorbing the expense for developmental education. Mr. Capo noted that SB144 is not on the meeting agenda but informed that it is a companion to the bill. He apprised that part of the concern is that HCC could be required to serve students who are not within the service area.

Mrs. Sane inquired if the Community College Association of Texas Trustees (CCATT) has passed a resolution regarding the item. Mr. Capo noted that the bill has not moved out of committee and has not been discussed. He informed that the bill fits some of the concerns that have been expressed by the Board. Mr. Capo apprised that he wanted to bring the bill up for discussion. He noted that an amendment could be added to the bill to allow the institutions to waive the fee.

Mrs. Sane inquired of the amount for dual credit. Dr. Maldonado informed that there is an additional funding stream from dual credit. He apprised that the numbers are not only waivers; there is also a revenue stream for contact hours. Dr. Maldonado noted that the bill allows the flexibility to regain some of the lost revenues and apprised that offering an amendment as mentioned by the Board Chair would allow an opportunity to determine to waive the fee.

Dr. Kimberly Beatty noted that she would research the cost for developmental education. Dr. Maldonado informed that the number is available but he does not have it handy.

Ms. Mullins apprised that she is not clear on the amendment and noted that if charging for one school district, it should be charged to all school districts.

Ms. Loreda inquired if there is a charge to the students for dual credit and informed that other institutions charge.

Mr. Capo inquired of which other school districts have made the request for waiver and for which program(s). He recommended that the development education cost is identified and the school districts from where the students come from.

Dr. Maldonado apprised that the information will be provided and noted that the only school district that has made a request for the waiver is Houston Independent School District.

Vote - The motion passed with a vote of 6-0.

Mr. Capo recessed the meeting at 4:14 p.m. and reconvened at 4:35 p.m.

**APPOINTMENT FOR HOUSTON COMMUNITY COLLEGE TRUSTEE POSITION,  
DISTRICT IV AND ANY OTHER RELATED AUTHORIZATIONS NECESSARY FOR  
FURTHER ACTION**

Motion - Mrs. Sane move and Mr. Glaser seconded.

Mr. Capo read into record the report provided by the Selection Committee.

Mrs. Sane commended the selection committee members for giving their time and talent in carrying out the charge given by the Board to bring forward a recommendation to appoint a Trustee for District IV. She commended the Board for appointing a selection committee comprised of knowledgeable and well-respected leaders from District IV who are the voice of that community.

Mrs. Sane nominated Ms. Carolyn Evans-Shabazz for Trustee, District 4.

Mr. Glaser expressed appreciation to the Selection Committee and informed that five applicants were considered by the Selection Committee. Mr. Glaser apprised that the information provided to the Board was used by the committee and noted that he reviewed the resumes and listened to the audios of the interviews. Mr. Glaser informed that he has a responsibility to appoint the best-qualified individual for the position.

Mr. Glaser nominated Mr. Marlen D. Whitley.

Mr. Capo closed the nominations.

Ms. Loreda thanked the Selection Committee for completing the duty assigned. She apprised that the effort was to give the committee an opportunity to interview the applicants. She noted that the effort was time consuming.

Ms. Mullins inquired if anything could be shared from the committee regarding the vote. Mr. Capo noted that he does not have the details of the committee vote but was informed that the vote was a majority of the committee. He apprised that the committee met on Saturday, May 9, 2015.

Mr. Capo noted that he met with Board Counsel to make certain the vote was according to *Robert Rules of Order*. He informed that the vote would be according to nominations.

Vote on Carolyn Evans Shabazz - Dr. Evans-Shabazz received 4 votes.

Vote of Marlen D. Whitley – Mr. Whitley received 2 votes.

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Mr. Capo noted that considering the numbers of the vote, the person receiving the lowest votes would be dropped. He noted that the second round of voting would be on the candidate receiving the most votes, which would be Dr. Carolyn Evans-Shabazz

Vote on Carolyn Evans Shabazz –The nomination passed with vote of 5-0-1 with Mr. Glaser abstaining.

Vote - The motion passed with a vote of 5-1 with Mr. Glaser abstaining.

**ADJOURNMENT**

With no further business coming before the Board, the meeting adjourned at 4:45 p.m.

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

Minutes Approved as Submitted:                 June 23, 2015