

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

February 25, 2015

Minutes

The Board of Trustees of Houston Community College held a Special Meeting on Wednesday, February 25, 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 Loreda
Carroll G. Robinson
Neeta Sane
David Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
Shantay Grays, Chief of Staff
E. Ashley Smith, Acting General Counsel
William Carter, Vice Chancellor, Information Technology
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academics Officer
Diana Pino, Vice Chancellor, Student Services
Teri Zamora, Vice Chancellor, Finance and Planning
Michael Edwards, Acting President, Coleman College
Fena Garza, President, Southwest College
Margaret Ford Fisher, President, Northeast College
Irene Porcarello, President, Southeast College
Janet May, Chief Human Resources Officer
Carme Williams, Executive Director, HCC Foundation

OTHERS PRESENT

Derrick Mitchell, Board Counsel, Bracewell & Giuliani
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mr. Zeph Capo, Chair, called the meeting to order at 12:06 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, Loreda, Robinson, Sane, Tamez, and Wilson)

AMENDMENT TO MISSOURI CITY NEW CAMPUS REAL ESTATE ACQUISITION

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

Mr. Capo informed that the item has been discussed in closed session over a period time. He noted that the action is a pending real estate action that has legal protection under both the open meetings and public information acts.

Mrs. Sane moved to call the question. The motion failed.

Mr. Wilson apprised that he does not want to reiterate what has been discussed. He noted that the Board approved the item in January 2015. Mr. Wilson informed there were discussions regarding the item in June of 2014 and an appraisal was conducted without the Board's approval. He apprised that there are couple of items in the bylaws that he would like to place on record that include Article H, Section 2(e) that references Trustees are provided the agenda no later than five days prior to the meeting. Mr. Wilson referenced Article E.2(o) stating that the Chancellor would provide important information to the Board prior to the meeting and that all background and research will be provided in sufficient time for reviewing. Mr. Wilson noted that the information that he considers important is the appraisal of the property. He informed that in reading the appraisals the purchase price exceeds the listing.

Mr. Capo cautioned that the discussion is closed session information.

Mr. Wilson apprised that under Article A. Ethics the purpose of the Trustees is to act solely and exclusively for the benefit of the College. He noted that this is the responsibility of each Trustee and expressed that the transaction would hurt the College.

Dr. Maldonado informed that the administration effort is to provide an overview and invited Ms. Michelle Morris, Counsel on the transaction to provide an overview of the transaction.

Ms. Morris provided clarification regarding the exception to the opens meeting act under Section 551.072. She apprised that deliberation regarding the value of real property is held for closed session and noted that there is an exception in the open records act regarding the appraised value of property to protect the college from the public obtaining information that could hamper the college's efforts regarding the purchase of the property.

Mr. Capo reiterated that if the information were released in public and to the public, it would give a competitive edge to others. Ms. Morris confirmed.

Ms. Loredo noted that her fiduciary duties are based on information received and her decisions are based on the information received.

Mr. Wilson inquired if Ms. Morris was the same attorney that advised the Board that it could not approve the projects one at a time.

Mr. Capo informed Mr. Wilson that he is out of order.

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Mr. Robinson apprised that the nine Trustees are now being asked to clean up a mess of the administration. He requested discussion regarding the time line. He noted that administration had from August 2014 until January 2015 to provide accurate information.

Mr. Robinson requested Dr. Maldonado to provide a review of the contingencies that are to be removed and the reason for the request.

Mr. Capo informed the contingencies were added because of the other agencies involvement with limited information. He apprised that since January 2015, Fort Bend County has approved the item and Missouri City has also passed a resolution regarding the land purchase. Mr. Capo noted that the effort is to make a decision regarding the purchase of the property as part of the buy down column. He informed that he would have to give the Chancellor some breathing room because the Board did ask for contingencies.

Dr. Maldonado apprised that at the time of the original action item, the college had not heard the position or actions taken by the other entities. He noted that the action to be taken today is the same as that was originally presented for the January 2015 meeting.

Mr. Robinson asked for clarification in that the deal was not going to be completed until there was confirmation that the \$1 million shortage was made whole and asked who would provide the funding.

Mr. Robinson informed that his problem is that the previous administration did not do their job and now the Board is being asked to clean it up. He apprised that the Board agreed to the item because administration stated the deal would be made whole.

Mr. Robinson noted that he did not hear of a bond spend down situation from administration, he heard of it from the street. Dr. Maldonado informed that what administration has presented to the Board has been shared openly.

Mr. Robinson apprised that he accepts the approval with the contingencies and noted that he does not have a problem with the approval; however, he is not certain of why the contingency needs to be removed.

Dr. Maldonado informed that the constraints would prevent the signing of documents due to the contingencies.

Mr. Robinson inquired if the funds will be provided to make the deal whole where the college is not lacking regarding the funding.

Dr. Tamez stated that the question from Mr. Robinson is fair.

Dr. Maldonado apprised that not all information presented to the Board has changed.

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Mr. Robinson inquired if the open records requirement is thirty days after action on the item. Mr. Derrick Mitchell noted that the period is thirty days after the close of the transaction.

Mr. Robinson inquired if the information would be available on the website after the thirty-day waiting period. Mr. Capo noted that he is not certain if administration can answer the question today, he would recommend placing an item on the Board Governance Committee agenda to have all the information be posted after all the transactions are complete and in compliance with open meetings and public information acts.

Mr. Robinson requested that bond counsel be present whenever there is discussion regarding the bond spend down.

Mr. Capo informed that the schedule was provided in writing regarding the spend down and informed that bond counsel was not asked to be at the meeting in an effort to corral expenses.

Mrs. Sane noted that the item is the same description that was provided to the Board in January 2015.

Mr. Capo informed that the motion is to remove the contingencies so that the Chancellor could move forward with the transaction.

Dr. Tamez associated with Mr. Robinson to make certain the college will be made whole in the transaction.

Mr. Wilson associated with Mr. Robinson and Dr. Tamez. He apprised that his main concern is that the college will not be made whole because of the overpayment for the property and requested that each of the Trustees review the appraisal.

Mr. Capo noted that the documents were made available for each Trustee to review.

Dr. Tamez informed that she has had access to the documents.

Mr. Capo stated for the record that in accordance with the posted notice for this meeting, this is a motion to amend the authorization previously adopted by this Board to authorize the Chancellor to purchase and execute all necessary documents related to real property located on Texas Parkway in Missouri City, contingent on the approval of other transactions related to the purchase of the existing Missouri City campus:

1. To remove the contingencies;
2. To state that the administration will adhere to its commitment to the Board that the relocation of the existing Missouri City campus will not move forward unless HCCS is ensured that it will be made whole from all sources of revenue, such that the relocation will result in zero net cash outlay by HCCS.

Vote – The motion passed with vote of 6-1 with Trustee Wilson opposing.

ADJOURNED TO CLOSED SESSION

Mr. Capo adjourned the meeting to Executive Session at 12:38 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 1:16 p.m. and entertained any motions on pending matters.

(The following Trustees were present: Capo, Glaser, Loreda, Sane, Tamez, and Wilson)

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 1:16 p.m.

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

Minutes Approved as Submitted: April 16, 2015