

SAN JACINTO COLLEGE DISTRICT
Board of Trustees Strategic Planning Retreat Minutes
September 7, 2018

The Board of Trustees of the San Jacinto College Community District met at 9:15 a.m., Friday, September 7, 2018, in room S-6.152 of the San Jacinto College South Campus, 13735 Beamer Rd., Houston, TX 77089, for a Board Strategic Planning Retreat.

Members Present: Erica Davis Rouse, Marie Flickinger, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson

Others Present: Brenda Hellyer, Mandi Reiland, Teri Zamora

I. The meeting was called to order at 9:15 a.m. by Chair Marie Flickinger.

II. Roll Call of Board Members

Erica Davis Rouse, Marie Flickinger, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson

III. Review Security Master Plan Report

- Brenda Hellyer reviewed the background of the security master plan report.
- Teri Zamora provided an overview of the assignment and sources of delays.
 - Dr. Ruede Wheeler asked if the College paid for this consultant and if they actually did what we asked them to do. Teri responded that the consultant ended up completing the assignment as requested, but at first, they did not understand the unique components of the community college mission clearly.
- Teri reviewed the members of the steering committee, the physical security concept, and campus boundaries observations and activities.
 - Dan Mims asked if any entrances were identified that are not needed. Teri replied that they did not come forward with any specific recommendations regarding closing existing entrances.
- Teri reviewed the observations and activities for parking, landscape maintenance, and pedestrian safety.
 - Marie Flickinger asked why a company was not chosen who was used to reviewing college campuses. Brenda answered that of the pool, this company was the best choice. This company had experience with universities. This was a good review and analysis and college personnel were involved.
 - Dr. Wheeler asked if anyone or any state agencies review this and if we are in compliance. Brenda answered that some of the areas may be in the Junior College Audit Report (JCAR), but there are no inspections.

- Teri reviewed the observations and activities of exterior lighting, access control, network video cameras, and panic/emergency call.
 - Marie asked why these panic buttons go through an outside alarm company. Teri answered that we are moving the alarm function in house now.
- Teri reviewed the rejected recommendations.
 - Erica Davis Rouse asked who is responsible for keeping these security recommendations in mind as new buildings are designed. Teri replied that there is a standard that we are building to. Facilities Services and AECOM will have these items included for new buildings. Brenda explained that Bryan Jones and Chuck Smith led the security study and they also lead construction, so they will be overseeing this.
- Teri provided an overview of the budget implications. Brenda added that this was presented to the Board Building Committee, and the plan is to present an update on progress in a year.
- Marie asked how much crime occurs at the College. Teri responded that the College has low crime. Brenda explained that she and key leaders receive a daily report and the crime is minimal.
- Brenda explained that the locks on doors were the faculty's biggest concern.
- Brenda discussed current trainings that are happening regarding safety and departmental training is also occurring. The members discussed the need to stress the importance of training and having plans.
- Dr. Wheeler asked about security for the administration buildings. Brenda explained that the plan is to keep side doors locked, have greeter in lobby, and to filter A2 visitors to check in at A1.
- Dan Mims asked if an officer needs to be there at all times. Brenda and Teri explained that they do not think that will be a recommendation. Teri explained that the timeline is to complete the bathroom renovation then complete the lobby area which will accommodate a space for the greeter.
- All members were comfortable with the information that was reviewed regarding the security master plan.
- Dan suggests adequately documenting why we are not doing some of the recommendations.

IV. Update on Capital Projects and Financing Projections

- Teri reviewed the OSHA inspection results and the safety metrics.
- Teri explained that construction costs have risen for 19 consecutive months, and industry observers do not expect any reductions in costs in the near future. This may affect the budget for the last new construction projects of the 2015 Bond Program if prices keep increasing.
- Teri reviewed the major project schedule and status on each project.
 - Members recommended letting the developer handle any barrier expansion concerns near the Center for Petrochem, Energy, and Technology at Central Campus.
 - Erica asked how having ventilation for cosmetology and culinary in same building was resolved. Brenda answered that is one of the

reasons why we had a budget adjustment on that facility in July due to the need to have separate systems.

- Teri reviewed each line item of the proposed budget distribution modifications for the 2015 Bond Program. The members were supportive of the project budget changes. The budgets will be adjusted for the next report. Brenda explained that she may come back with an additional adjustment next year for Bruce Student Center once the early college high school projects are complete.
- Teri reviewed the financing projections. The plan is to issue debt only as needed. As of April 2016, \$150 million was issued. It is estimated that as of March 2019, another \$150 million will be issued and as of April 2020 the final \$125 million will be issued. This totals the \$425 million voter approved 2015 Bond Program. The maximum debt tax rate communicated to voters during Fall 2015 was \$0.08860. The maximum debt tax rate projected, using very conservative tax base growth for fiscal year 2025 is \$0.079473. The projected timeline is at the December 3, 2018 Board meeting to request approval to issue \$150 million. The bond sale will close in March 1-15, 2019, with the transaction closing in the first half of April 2019.
- Erica asked who the new financial advisor is. Teri answered it is PFM. She also discussed the approved underwriting pool, and the review process she has been in the process of completing.
- Members discussed the possibility of having a bond co-counsel. Brenda and Teri do not recommend doing this.
 - Marie asked that we negotiate with our bond counsel and underwriters. Teri said we will do this and try to get the lowest rates.
 - Erica asked for clarification on why it would not be beneficial to work with a co-counsel. Teri explained that legal counsel would not be comfortable with having full liability after a co-counsel does a portion of the work. Erica explained that her concern is that the College does not have a lot of minority or female firms working with it. Teri is in support with diversifying our contracts. However, she does not see the bond counsel as the best option. The current firm would have a fee, and we would have an additional fee for a co-counsel. In terms of liability and costs, maintaining our current bond counsel is recommended for this next sale.
- Teri reviewed the status of the 2008 Bond Program and the 2015 Revenue Bond.

V. Adjournment to closed or executive session pursuant to Texas Government Code Section 551.072 of the Texas Open Meetings Act, for the following purposes: Real Estate - For discussing the purchase, exchange, lease or value of real property.

- Marie adjourned to closed session at 10:52 a.m.

VI. Reconvene in Open Meeting

- Marie reconvened to open session at 11:11 a.m.

VII. Discuss Options for Development at Generation Park

- Teri reviewed the Generation Park demographic study conclusions, pro forma enrollment projections, campus catchment area, and the recommendations.
- Recommendations are as follows:
 - A general academic building of approximately 50,000 sq ft will position the College to serve 3,000 to 4,000 part-time students (assuming an average of 9 semester credit hours).
 - Space should be flexible, accommodating general classes designed to transfer.
 - Market for CPD within Generation Park should also be lucrative.
 - Possible market exists to partner with a university for bachelor's and graduate degrees.
 - Additional space or spaces dedicated to specific programs can be built only as future circumstances warrant.
- Brenda provided an overview of current Generation Park development information. She reviewed the proposed Phase 1 layout and proposed future site development plans for the remaining property.
- There was discussion regarding percentages of in-district versus out-of-district students, and the significance of enrollment growth in the State funding allocation process.
- Teri also reviewed the assumptions for the enrollment and financial pro forma projections.
- Teri reviewed the pro forma revenue assumptions, cost of instructional delivery, and administrative expenses. She also explained the projected campus staffing.
 - Dr. Wheeler asked if we foresee having issues getting faculty in the area. Brenda does not anticipate this being an issue. She explained that the plan is to have full-time faculty there and maintaining a 70 – 30 percent full-time to part-time ratio.
 - Keith Sinor asked when will the decision be made to add a second building. Brenda stated that this decision will be based on enrollment growth.
- Teri reviewed the tax analysis for Generation Park.
- Brenda reviewed timeline for moving forward. She will request approval for the project in October 2018. Fiscal Year (FY) 2019 will be for planning and designing, FY 2020 will be to build, and the campus would open in August of 2020. In FY 2022, the College would begin receiving state appropriations.
- Dr. Wheeler stated that our plans for operation look flexible which is beneficial because as the campus develops, we can modify based on student needs and enrollment changes.
- Keith asked about book store options. One option could be a mobile book store. Brenda discussed a few options and explained that these will be reviewed, and it will be determined which is best for this location.
- Brenda explained that the architects are excited to submit proposals for this project. She anticipated the process and interest will draw competition.

- Marie recommends that the Board is involved, at some point, in the review process.
- Several Members asked that the action item requesting approval be added to the Board agenda for the meeting on September 10, 2018. It was determined that because the agenda had not been posted and we had not yet reached the 72-hour timeframe for posting, it could still be added.

VIII. Review Ethics Point Presentation

- Teri reviewed the presentation which covered the implementation of the EthicsPoint hotline and related policy updated on ethics and fraud prevention.
- Erica asked if there are or will be any restrictions on social media usage. Brenda said that we currently do not have a policy, but she will look into this. Also, she will check faculty and administrator contracts to confirm if this is included.
- Brenda explained that because the Trustees are referenced in the proposed policy and procedures on ethical conduct and conflicts of interest, modifications may need to be made to the Board Bylaws. If needed, this will be a discussion and action item at the next Board meeting.
- Teri explained that there will be mandatory training for all employees before the EthicsPoint hotline is implemented.

IX. Discuss Flu Shot Program Options

- Brenda reviewed the history and proposal for the flu shot programs. The members were comfortable with discontinuing this program.

X. Review Strategic Plan Development Process

- Brenda explained what steps were followed in the last strategic planning process. She would like to have the Board review and address where we are with equity. The members also discussed outreach opportunities. Brenda explained that she recommends having an external person come in to lead a strategic planning session with the Board. Members are comfortable with this approach.
- Marie suggested having equity and outreach discussions for the proposed meeting with our school superintendents and their Board members.

XI. Wrap-up with Summary for Follow-up

Brenda asked if there are any other items the Board would like an update on. The Board members did not ask for an update on any other items.

XII. Adjournment

Chair Marie Flickinger adjourned the meeting at 1:03 p.m.