

San Jacinto College District Board Workshop November 1, 2021

The Board of Trustees of the San Jacinto Community College District met at 5:00 p.m., Monday, November 1, 2021, in Room 201 of the Thomas S. Sewell District Administration Building, 4624 Fairmont Parkway, Pasadena, Texas.

MINUTES

	Board Workshop Attendees:	Board Members: Erica Davis Rouse, Marie Flickinger, Dan Mims, Keith Sinor, Dr. Ruede Wheeler, Larry Wilson Absent: John Moon, Jr. Chancellor: Brenda Hellyer Other: Micki Morris (Attorney – via conference call), Sandra Ramirez, Mandi Reiland, Laurel Williamson, Teri Zamora
	Agenda Item:	Discussion/Information
I.	Call the Meeting to Order	Board Chair, Marie Flickinger, called the workshop to order at 5:00 p.m.
II.	Roll Call of Board Members	Chair Marie Flickinger conducted a roll call of the Board members: Erica Davis Rouse Dan Mims, John Moon, Jr., (absent) Keith Sinor Dr. Ruede Wheeler Larry Wilson
III.	Adjournment to closed or executive session pursuant to Texas Government Code Section 551.071, 551.076, 551.074, and 551.072 of the Texas Open Meetings Act, for the following purposes:	Chair Flickinger adjourned to closed session at 5:01 p.m. The Board members listed above as attending, Chancellor Hellyer, Sandra Ramirez, Mandi Reiland, Laurel Williamson, and Teri Zamora were present for the closed session. a. Legal Matters - For the purpose of a private consultation with the Board’s attorney on any or all subjects or matters authorized by law. Attorney Micki Morris (via conference call) present for this portion of the closed session.

		<p>b. Security Personnel or Devices – To consider the deployment, or specific occasions for implementation, of security personnel or devices</p> <p>c. Personnel Matters - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.</p> <p>d. Real Estate Matters - For the purpose of discussing the purchase, exchange, lease or value of real property.</p> <p>Laurel Williamson left the workshop.</p>
IV.	Reconvene in Open Meeting	Chair Flickinger reconvened to open meeting at 6:13 p.m.
V.	Update on Federal Student Emergency Funds	<p>Teri Zamora provided an update on the federal student emergency funds. She explained that the College received three different allotments of awarded money from the Federal government under the Higher Education Emergency Relief Funding (HEERF) funding. These allotments collectively total \$29.9 million dollars in funds that can only go toward student assistance. This fall, the College completed disbursing these funds. Teri reviewed a chart illustrating who received these funds.</p> <ul style="list-style-type: none"> • Dual credit students collectively received \$2.7 million • First time in college (FTIC) received \$3.9 million • First time transfer received \$1.1 million • Continuing students received \$23.3 million • Continuing and professional development (CPD) students received \$177,500. <p>The amount distributed to students totals \$31.1 million. In addition to the \$29.9 million that was provided from federal student emergency funds, the College also utilized \$1.2 million of federal institutional funds for this initiative. She explained the application process and how amounts awarded to students were determined.</p> <p>Keith Sinor asked where the additional funds came from. Teri responded it was allocated from the institutional HEERF dollars that were awarded to the College. The federal government had highly encouraged institutions to move a portion of these resources over to emergency funds, so we did that with the first portion of the CARES act funds.</p>

<p>VI.</p>	<p>Notice of Program Closure and Relocation for Auto Collision Repair</p>	<p>Dr. Brenda Hellyer provided notification to the Board of Trustees about the Auto Collision Repair program closure and relocation. She explained we have had this program at North Campus since 1977. There is a small program and enrollment is declining. It is slow growth for autobody technicians with only a two percent growth projected from 2019 to 2029. There are 15,700 openings projected every year in the job market. There are only three colleges that are providing auto collision repair credentials, along with several area high schools also providing it.</p> <p>Brenda added that as we talk with our industry partners, we are hearing the larger companies prefer individuals with formal training, formal experience, and the I-Car certification. Smaller companies are looking for six-month to one-year experience and are hiring those who do not have a credential. There is interest from our industry partners for San Jacinto College’s program to align more closely with our school district partners. The strongest program in the area is the one at Kirk Lewis Career & Technical High School. The current building at North Campus does not seem feasible to house a strong program. The building the program is currently housed in is an older building. The cost to get this building up to code to what is needed for this program would be approximately \$2 million and could reach \$3 million once soft costs are added.</p> <p>Brenda explained that our plan is to close the program at North Campus and relocate it to Central Campus. Central Campus houses the Transportation Center so there is alignment that auto collision repair would be included there. The initial estimate for the building modifications would be approximately \$150,000, with a total project cost in the range of \$270,000. The cost to relocate equipment and supplies to Central Campus is \$25,000. Total cost would be approximately \$300,000 to relocate this program to Central Campus. We will close the program at North Campus, notify Southern Association of Colleges and Schools Commissions on Colleges (SACSCOC), and complete a teach-out at North Campus. There are approximately 30 students in the current auto collision repair program. Over the next few months, into March, we will be working with our ISD and business partners to develop a plan for what we can do at Central Campus. We could have the auto body collision program relocated and in place at Central Campus by next fall with a feasible plan. If we find that more time or budget is needed and the plan is more complicated after talking to our industry</p>
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<p>VII.</p>	<p>Request for Removal of Part-Time Staff Transactions from the Monthly Personnel Recommendations</p>	<p>Sandra Ramirez presented the request that Human Resources is recommending to no longer include the part-time staff transactions in the monthly personnel recommendations to the Board. Every part-time employee is hired on a Board approved rate schedule. We already do not include part-time faculty, because they are also on a Board approved rate schedule. If there is a rate correction or something that was done incorrectly, it will be brought forward to the Board. Any transaction that is more than 45 calendar days out and needs to be brought to the Board’s attention will still be included.</p> <p>Brenda clarified that all full-time hires will still be included in the monthly personnel recommendations</p> <p>The Board members were comfortable with this recommendation.</p>

<p>VIII.</p>	<p>Review of Plan to Issue Previously Authorized GO Bonds and to Refinance and Defeasable Callable GO Bonds</p>	<p>Teri Zamora reviewed the plan to issue previously authorized GO bonds and to refinance and defeasable callable GO bonds. Teri explained that one of the Board’s action items tonight is to approve the team and the cost for this item. The Board will be presented with more details next month. The plan proposes three components to be completed in late January 2022: issue \$40 million in new general obligation bonds, refund \$7.95 million of existing general obligation bonds, and defeasable \$2.9 million of bonds due in 2023. She provided a debt transaction timeline of the authorized bonds and how much was issued each year. The last \$40 million of the \$425 million bond will be allocated to finishing ongoing construction projects, deferred maintenance projects under development, and for considering opportunities at Generation Park.</p> <p>Teri explained that approximately \$7.975 million in callable General Obligation Bonds are eligible for refinancing. The College will save approximately \$1.3 million in interest costs by refinancing.</p> <p>She added that we have some 2015 refunding bonds totaling approximately \$1.2 million, and we have approximately \$700,000 in capital appreciation bonds, along with associated accrued interest, which are scheduled to mature on February 15, 2023. Our plan is to place \$2.9 million in escrow to pay these off, with interest, in February of 2023. The reason for doing this is to manage our tax rate. In August of 2019, the College passed a reserve policy which always requires the College to keep four to six months unrestricted cash. Even with the \$2.9 million early pay-off we will be within those guidelines.</p> <p>The professional team that is being proposed for this item will be: San Jacinto College as the Bond Issuer, PFM as the Independent Municipal Advisor, Hunton Andrews Kurth LLP as the Bond Counsel, and Holland and Knight LLP as the Disclosure Counsel. The underwriters will be changed. The College issued an RFP and developed a list of underwriters and we have utilized all of the large companies except for Wells Fargo, so we will have them as the Senior Manager on this deal. Teri provided a list of underwriters who were selected from the request for proposals (RFP) but are no longer doing business in Texas: Bank of America, Citigroup, JP Morgan, Chase, and Goldman Sachs.</p>
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<p>IX.</p>	<p>Update on State and Federal Legislative Sessions</p>	<p>Brenda provided an update on the State and Federal legislative sessions. On the Federal side, the Build Back Better Act was revised and released by the Biden administration. This bill, if approved, will devote \$40 billion to higher education and workforce programs. It will increase the Pell grant award for students and allows Pell grants to be awarded to Deferred Action for Childhood Arrivals (DACA) students enrolled in public and non-profit colleges. It includes large investments in minority serving institutions and will dedicate significant investments to community college workforce programs. San Jacinto College has already been asked to be partners on several Build Back Better grants.</p> <p>Brenda explained that Teri Crawford and John Stauffer participated in the Washington DC Fly-In with the Economic Alliance Houston Port Region. The Economic Alliance group had a total of about 25 meetings with Senators and Congressional members, American Fuel and Petrochemical Manufacturers (AFPM), American Chemical Council (ACC), National Association of Manufacturing (NAM), and the U.S. Department of Transportation Maritime Administration (MARAD).</p> <p>On the State side, the third special session has concluded. Community colleges received \$15 million for the Texas Reskilling and Upskilling through Education (TRUE) initiative. Details on funding are being worked at the state level, but this is mostly a grant request program. The \$250 million that had been requested for sustainability projects for</p>

		<p>community colleges did not get funded. Appointments for the Commission on Community College Finance have been made. The Governor and Lt. Governor made their appointments. Brenda stated she has been appointed by the Texas Association of Community Colleges (TACC) and Carol Scott, Board Chair at Del Mar College, has been appointed by Community College Association of Texas Trustees (CCATT). We are still waiting on appointments from the Speaker’s office. Those should happen soon, and meetings will begin in November.</p> <p>Dr. Ruede Wheeler asked how this Commission will determine how much money each community college receives.</p> <p>Brenda responded that the Commission will look at past and current funding models and assess gaps and issues around that model. Taxes, success points, contact hours, and demographics will be reviewed. The group will make recommendations on what a funding model should look like in the future. Once the model is put together, it will go to the legislature to determine funding.</p>
X.	Review of Calendar	<p>Brenda reviewed the calendar with the Board. She explained there will be a community open house for Generation Park on November 8. State of the College will be November 12 and there will be assigned seating. The Foundation holiday party scheduled for December 16, as well as the College’s campus holiday luncheons, have been cancelled due to the pandemic. We will be ordering polo shirts to provide to all part-time and full-time employees due to the cancellation of the luncheons. Commencement will be held December 10 and the Board Retreat will be held January 28.</p>
XI.	Adjournment	<p>Chair Marie Flickinger adjourned the meeting at 6:47 p.m.</p>