

**San Jacinto College District Board Workshop  
April 4, 2016  
District Administration Building, Suite 201**

**MINUTES**

	<b>Board Workshop Attendees:</b>	<b>Board Members:</b> Marie Flickinger, Brad Hance, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson <b>Chancellor:</b> Brenda Hellyer <b>Others:</b> Chet Lewis, Mandi Reiland, Steve Trncak
	<b>Agenda Item:</b>	<b>Discussion/Information</b>
<b>I.</b>	<b>Call the Meeting to Order</b>	<b>Workshop began at 5:03 p.m.</b>
<b>II.</b>	<b>Roll Call of Board Members</b>	<b>Board Members:</b> Dan Mims, Marie Flickinger, Brad Hance, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson
<b>III.</b>	<b>Adjournment to closed or executive session pursuant to Texas Government Code Section 551.072 &amp; 551.074, of the Texas Open Meetings Act, for the following purposes: Real Estate and Personnel Matters</b>	Adjourned to closed session at 5:04 p.m.  Chet Lewis and Steve Trncak were present for executive session.
<b>IV.</b>	<b>Reconvene in Open Meeting</b>	Reconvened in open meeting at 5:24 p.m.

<p><b>V.</b></p>	<p><b>Review Outcomes of Bond Sale</b></p>	<p>Chet Lewis gave an overview of the outcomes of the Bond sale. Chet referenced the handout that was distributed. The first page shows the summary of the financing results which includes Series 2016A and Series 2016B. On March 21<sup>st</sup>, the College priced and sold the bonds. Series A has a 3.064% bond yield and Series B has a 2.915% bond yield. Series B is lower because it has a shorter life. The College saved approximately \$5.6 million discounted value with the refunding. The second page of the handout shows bond pricing by maturity date. The third page shows a recap of savings by year. Overall, there was approximately \$7.7 million of actual savings through the life of the bonds. Also, included for the Board’s review was the underwriter’s discount and costs of issuance. RBC put together a recap that explains the pre-sale activities, the bond sale, and post bond sale. Chet summarized that the City of Houston and Houston ISD anticipated sales within the same timeframe as the College. The week prior to the College’s planned sale, the City of Houston status with Moody’s and Standard and Poor’s was downgraded. Chet and RBC were concerned that if the College posted bond sales on the same day, with similar ratings, there would be a negative outlook on the College’s bond sales. We accelerated by one day which ended up potentially saving the College approximately \$610,000.</p> <p>Brenda explained that JPMorgan was the lead but that there were five other underwriting partners.</p>
<p><b>VI.</b></p>	<p><b>Review Property Insurance Renewal</b></p>	<p>Chet explained the action item for tonight recommends that the Board of Trustees approve the renewal of the contract for property insurance coverage with McGriff, Seibels &amp; Williams for a two-year period beginning May 1, 2016 and ending April 30, 2018. Overall, the total price is \$1,554,058. The premium rate of \$0.249 cents per hundred dollars of insured value signifies a decline for a fourth consecutive year. The coverage limits remain the same with a maximum 2 percent deductible and a named storm deductible cap of \$2.5 million. This coverage also includes the new Maritime Campus.</p> <p>Brenda referenced the third page of the handout that gives a summary of the premiums.</p> <p>Chet stated that this agreement will lock in the price, but it does not mean that we have to use McGrigg, Seibels &amp; Williams in the second year.</p>

<p><b>VII.</b></p>	<p><b>Review Tuition and Fees and Dual Credit Exemption Proposal</b></p>	<p>Brenda gave an overview of the proposed increase in the semester credit hour (SCH) tuition schedule, an increase in the general service fee, and the addition of a course fee. All charges would be effective for the Fall 2016 semester.</p> <p>The recommended tuition increases are as follows:</p> <ul style="list-style-type: none"> <li>• \$3 per SCH increase in the in-district tuition rate (from \$47 to \$50)</li> <li>• \$6 per SCH increase in the out-of-district tuition rate (from \$89 to \$95)</li> <li>• \$11 per SCH increase in the non-resident tuition rate (from \$149 to \$160)</li> </ul> <p>The recommended fee changes are as follows:</p> <ul style="list-style-type: none"> <li>• \$10 per semester increase in the general service fee (from \$140 to \$150)</li> <li>• Course fees ranging from \$2 per credit hour to \$7 per credit hour</li> </ul> <p>Additionally, it is recommended that the dual credit exemption be increased from 70 percent to 75 percent.</p> <p>Brenda explained that the projected net increase in revenue is approximately \$3.6 million. Based on approximately 576,000 semester credit hours generated during the last fiscal year (Fall 2014, Spring 2015, and Summer 2015), the proposed tuition and fee increases will produce approximately \$3.8 million additional net revenue. Increasing the dual credit exemption to 75 percent will increase the total exemptions by approximately \$188,000. The net effect of increasing the dual credit exemptions to 75 percent would reduce the additional net revenue to approximately \$3.6 million. The proposed revenue increase will be generated in fiscal year 2016-2017 and will be included in the budget development process to address needs and annual goals established during the strategic planning process.</p> <p>Brenda explained that she will send the summary of changes to the superintendents so they are aware of the changes that will go into effect Fall 2016.</p> <p>Brenda stated that she was at an interim hearing on dual credit last week and the week before she testified on community college funding. Dual credit is getting a lot of conversations</p>
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		<p>regarding different cost structures. There were questions about why some colleges are providing dual credit for free and some are not. For San Jacinto College, it is important to continue to be competitive especially in light of Senate Bill 1004. Brenda stated that we need to continue to review our exemptions for dual credit, because the trend is moving toward offering free tuition for dual credit to independent school districts within and outside of college taxing districts.</p> <p>Brenda explained that she met with representatives from Sheldon ISD regarding their STEM program. They asked about textbook costs and what we are doing about that. Brenda explained the charge that the Board has given regarding lowering costs to students.</p> <p>Brenda stated that we will continue to review the dual credit and early college high school models that we have in place.</p>
<b>VIII.</b>	<b>Review Incidental and Lab Fee Changes</b>	<p>Brenda reviewed the incidental and lab fee changes.</p> <p>The proposed fee changes have been recommended and approved through the Fall 2015 curriculum process. All curriculum revisions including incidental and laboratory fees are reviewed and approved by District Curriculum Steering Committee, the Instruction and Student Services Council, and the Provosts.</p> <p>New fees are either due to new course offerings or additional course requirements that necessitated establishment of new fees. Fees modifications result from either increased or reduced lab requirements, changes in accreditation requirements, or increases in certification fees charged on a headcount basis. In some cases, previously charged fees are no longer required, and a recommendation is being made to remove them.</p> <p>Brenda pointed out the fees for music classes are primarily fees for private lessons.</p>
<b>IX.</b>	<b>Review Construction Manager at Risk for Center for Petrochemical, Energy, and Technology</b>	<p>Chet explained the recommendation is for the Board of Trustees to approve a Construction Manager-at-Risk (CMR) contract with Tellepsen to construct the new Central Campus Center for Petrochemical, Energy, and Technology. The five finalists were ranked using numerical assessments from each segment, and Tellepsen earned the highest overall score. The total estimated construction expenditure for this project is \$39,300,356. Fixed costs for the duration of the project are, pending successful</p>

		<p>contract negotiations, not to exceed the preconstruction amount of \$45,000, an estimated monthly general conditions amount of \$100,960, and the construction management fee of 2.0 percent as submitted by Tellepsen in their RFP response. The project’s guaranteed maximum price of construction will be developed as design and construction plans progress.</p> <p>Marie pointed out that some companies that did not meet qualifications have done work for us before, and that is surprising.</p> <p>Brenda stated that part of that could be due to the glycol unit, which is a specialized area. Randy Boeding, our petrochem consultant, was very comfortable with Tellepsen and the process.</p> <p>Brenda explained that she had an update meeting with the advisory group last week. There is a group working on curriculum headed by Lyondell Bassell. Shell is leading the instrumentation group and non-destructive testing group. They are making great progress.</p> <p>Dr. Wheeler asked about the architect’s involvement. Brenda explained that Calvin Powitzky has preliminary drawings but is waiting to make changes based on the recommendations from the advisory council and sub committees.</p>
<p><b>X.</b></p>	<p><b>Review Pilot Programs for Alternate Work Schedules and Recognition</b></p>	<p>Steve gave an overview of the two recommended pilot programs that will kick off in Fall 2016. He explained the strategic linkage that ties back to our goals and the importance of creating the right work environment. The employee value proposition has five factors which include: direct financial, affiliation, work content, indirect financial, and career.</p> <p>The employee recognition program includes the monument award program which is designed to acknowledge individual or team accomplishments that support the College strategic goals and core values. This recognition program has three categories of recognition. They are Going the Extra Mile (GEM), Living the Values, and Monument Award. The program applies to all full-time and part-time employees. We need to celebrate success more, and this program encourages that. The Gem award category is online digital badges that appear on an employee’s profile in the talent management platform. Living the Values is a recognition given to individuals who demonstrate and sustain the College values. An immediate leader, senior leader, or</p>

		<p>Strategic Leadership Team member can nominate an employee for this award. The Monument Award is aimed towards team recognition.</p> <p>The alternate work schedule is a scheduling arrangement for periods that exceed one week and permits a variation of the employee’s starting and departure times, but does not alter the total number of hours worked in a work. Typical schedule options would be flex time, 4/10’s, 9/80’s, and telecommuting. The rationale behind providing the alternate work schedules and telecommuting is to provide attraction and retention strategies for candidates and current employees around schedule flexibility while providing adequate staffing and work continuity for peak periods, high quality uninterrupted customer service, and extended business hour coverage.</p> <p>All full-time staff and administrators are eligible for consideration. Steve noted that teaching faculty utilize the teaching schedule established each semester. We are piloting this and starting slow and building over time.</p> <p>Marie asked how a student or parent could recommend someone for a recognition. Steve explained that we can look at this and how to do it.</p>
<b>XI.</b>	<b>General Discussion of Meeting Items</b>	There were no other items discussed.
<b>XII.</b>	<b>Calendar</b>	Brenda reviewed the Board calendar.
<b>XIII.</b>	<b>Adjournment</b>	<b>Workshop adjourned at 6:29 p.m.</b>