

**MINUTES of the Regular Board Meeting**  
of the BOARD OF TRUSTEES of VICTORIA COLLEGE  
**January 22, 2024**

V. Bland Proctor, <i>Chair</i>	Luis A. Guerra, <i>Vice-Chair</i>	John Zacek, <i>Secretary</i>	Dr. Daniel Cano	Catherine McHaney	Dr. Josie Rivera	Ron Walker
√	√	√	√	√	√	√

**Also in attendance:** VC Staff: Dr. Jennifer Kent, Mary Ann Rodriguez, Keith Blundell, Cindy Buchholz, Jacob Flores, Jerry Hamilton, Babette Lowe, Felix Appelt Matt Wiley, Marty Deckard, Amy Mundy, Darin Kazmir and Lillian Knezek.

The Victoria College Board of Trustees met for a regular board meeting on Monday, January 22, 2024, at 4:00 PM in Corporate Training Room 101 in the Academic Building of Victoria College located at 2200 E. Red River, Victoria, TX. Mr. Bland Proctor, Chair, presided over the meeting.

**A. Call to Order:**

**1. Quorum Call:**

Mr. Bland Proctor called the meeting to order at 4:00 p.m. and announced that a quorum of board members was present.

**2. Certification of the Posting of the Notice of the Agenda**

Dr. Jennifer Kent certified that the agenda had been properly posted per Texas statute also in accordance with the provisions of Sections 551.125 and 551.127 of the Texas Government Code.

**B. Citizen Communication:**

**1. At this time, the public is invited to address the Board of Trustees.**

No members of the public spoke to the Board

**C. ITEMS FOR CONSIDERATION:**

**1. CONSIDER Minutes of Special Board Meeting held on November 28, 2023**

Mr. Luis Guerra moved to accept the minutes as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

**2. CONSIDER 2023-24 First Quarter Investment Report**

Mr. Keith Blundell presented. He shared with the board that this is the required quarterly disclosure of our investments for the quarter ended 11-30-23. Due to the current interest rate environment, the college transferred the majority of its available funds to Texpool Prime. The Endowment Fund, General Fund, Auxiliary Fund, Debt Service Fund and Construction Fund accounts have earned \$414,415.17 for the quarter. Texpool Prime accounts earned an average of 5.583% for the quarter. Mrs. Catherine McHaney moved to accept the report as presented. Dr. Josie Rivra seconded the motion. Motion carried unanimously.

**3. CONSIDER 2023 September, October and November Financial Statements**

Mr. Keith Blundell presented. He shared with the board that since the financials are cumulative, he would review only the November financials in detail if everyone was in agreeance. Mr. Blundell then began with the Statement of Net Position as compared to the same time last year, that total current cash and investments are at about \$32.463 million compared to about \$18.495 million same time last year. We are up about \$13.9

million. He noted there were no changes in OPEB or Capital Assets since the last audit. Mr. Blundell also noted that current liabilities are favorably to prior year. Total net position is at \$30.345 million. Mr. Blundell then reviewed the Statement of Revenues, Expenditures and Changes in Net Assets for the consolidated fund and the Gonzales Center and other projects funds in detail, asking if any clarification was needed as he proceeded. State appropriations are coming in as scheduled. Due to HB8, there are two equal payments this year. We have already received 50% of our state appropriations, the other half will be coming our way in the Spring. He compared current year actual to 2022 actual and explained any differences. Tuition and fees for credit classes are at about 52.86% of budget. Non-credit is a little up at about 28.6% of budget, which is good since we are at about 25% of the year. Mr. Blundell also noted that expenditures are at 29.87% and we are at 25% of the year. He also noted that our net increase is at \$391K compared to (\$392K) last year which puts us in really good shape. Mr. Blundell noted on page 12-14 revenues equal expenditures, that is exactly what we want to see. Mr. Blundell also noted on page 15 of 21 that Auxiliary is at about \$187K in the red compared to about (\$433K) last year. Expenditures are at about 21.09% which puts us in good shape since we are about 25% of the year. He did make note that on page 16, Debt Service, there is a net increase of \$140K compared to \$129K last year. This is due to ad valorem early payments. He moved on to page 18 of 21, pointed out that budget adjustments are at net \$0. He noted that on page 19, Gonzales Center now shows a balance of \$868 in case any needed projects occur. Mr. Blundell moved on to page 20 and 21. He shared that currently we have around \$21.382 million in the master plan budget with about \$3.466MIL already expended leaving us at about \$17.915 million. He clarified that this total does not include pledges. Dr. Daniel Cano moved to accept the statements as presented. Mr. John Zacek seconded the motion. Motion carried unanimously.

#### **4. CONSIDER Resolution Approving Investment Policy and List of Eligible Brokers**

Mr. Keith Blundell presented. He informed the board that in accordance with the Public Funds Investment Act, the Board annually must review the investment policy and approve a list of eligible brokers. Attached is a recommendation with no changes for the year to the investment policy, it has also been reviewed by legal counsel. There were no new brokers added to the approved brokers list. Mr. Luis Guerra moved to accept the resolution and list of eligible brokers as presented. Dr. Daniel Cano seconded the motion. Mr. John Zacek abstained. Motion carried unanimously.

#### **5. CONSIDER Policy on Tax Abatement Guidelines and Criteria**

Mr. Keith Blundell presented. He shared with the board that these tax abatement guidelines and criteria were adopted in 2017 and are in accordance with chapter 312 of the Property Tax Code. The change was to add language to section 4.05, regarding the posting of agreements on the College's website. The guidelines allow for the abatement of taxes at the discretion of the board of trustees. The minimum eligibility will be an investment in the reinvestment or enterprise zone that results in an assessed property tax value of at least \$100 million. He informed the board that there are three tiers to the abatement. They will see this in Tables 1 and 2 of the documents. Tier 1 is for values between \$100 million to \$250 million and is a 50% abatement for 5 years. Tier 2 is for values between \$250 million to \$500 million and the abatement is between 50% and 75% for 7 years. Tier 3 is for values over \$600 million and abates between 50% and 100% for 10 years. The document also includes a "Buy Local" criterion that asks eligible entities to use its best efforts to use local businesses and labor for construction and operation of improvements.

Mr. Blundell shared that if adopted, this policy will have a two-year life and can only be amended by three fourths vote of the board. There will also be a reduction in property taxes collected for those companies that meet the minimum criteria and the board approves abatement. Dr. Daniel Cano moved to accept the policy as presented. Dr. Josie Rivera and Mr. Ron Walker both seconded the motion. Motion carried unanimously.

**6. CONSIDER Easement and Right of Way for AEP Texas, Inc.**

Mr. Keith Blundell presented. He reminded the board that the easement was discussed in detail at the 3PM workshop prior to the board meeting. Mr. Blundell then summarized the easement by sharing that as part of the City of Victoria's Ben Wilson Street Project the City is improving the corridor by widening the sidewalk and improving utilities. Victoria College owns the road that runs east/west through the VC and UHV property. We did not give anything up. The road terminates on the east side of the campus at Ben Wilson St. This easement gives AEP Texas, Inc. access for the utilities below the corridor. Mrs. Catherine McHaney moved to accept the easement and right of way as presented. Mr. Luis Guerra seconded the motion. Motion carried unanimously.

**7. CONSIDER Purchase of goods and/or services:**

Mr. Keith Blundell presented.

**a. PURCHASE of HVAC Contractor (Welder Center Stage/Performance Hall) – Malek Inc.**

He shared with the board A competitive sealed bid was issued on December 20, 2023 for a contractor to replace the current HVAC system and duct for the stage and performance hall in the Leo J Welder Center. This is necessary to replace end of life equipment and to make the system more efficient. A pre-bid conference was held on January 5, 2024 at 9:00 am pm. One contractor attended the conference with one bid being submitted. The Fiscal Impact is a Base bid \$456,200. Not to exceed amount to include contingencies, \$475,000; funding from Major R&R (1101-2037-7210-1700). It has a 15-20 lifespan. Mr. Ron Walker moved to accept the purchase as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

**8. CONSIDER Guaranteed Maximum Price (GMP) for the Construction of the Student Success Center and Surrounding Site Work**

Mr. Keith Blundell and Mr. Marty Deckard presented. Mr. Deckard went over pages 1 & 2 (GMP Analysis) in detail answering questions from the board. He clarified that majority of the increases have come about from inflation that everyone is facing. Mr. Blundell stated that we are facing about a 38% inflation increase. He then went on to share with the board that pursuant to paragraph 2.2 of AIA Document A133-2009, Standard Form of Agreement Between Owner (Victoria College) and Construction Manager (Drymalla Construction Company Inc.) as Constructor executed on November 28, 2020, Drymalla hereby amends the Agreement to establish a Guaranteed Maximum Price. The contract sum is guaranteed by the Construction Manager not to exceed thirty-three million, six hundred eighty-three thousand, six hundred forty-four dollars (\$33,683,644), subject to additions and deductions by change order as provided in the contract documents. The GMP includes modification (increase) of the proposed fixed general conditions costs to a lump sum in the amount of \$729,925. Fiscal Impact: GMP: \$33,683,644. Mr. Ron Walker moved to accept the Guaranteed Maximum Price as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

**9. CONSIDER Designation of Unrestricted Net Position for Master Plan**

Mr. Keith Blundell presented. He shared that the total projected cost for the Master Plan project, which includes the Student Success Center, required infrastructure improvements, Library demolition, monument signage and Fine Arts Building renovations, totals \$41,530,647. The college has committed funds totaling \$30,830,479 and will raise an additional \$5,000,000 in fundraising totaling \$35,830,479. The remaining balance of \$5,700,168 will need to come from the college's unrestricted net position. Administration recommends the board designate up to \$6,000,000 for the completion of the Master Plan. He reminded the board that this was discussed in great detail at the 3PM Board Workshop held prior to the board meeting. Dr. Daniel moved to accept the designation of Unrestricted Net Position for Master Plan as presented. Dr. Josie Rivera seconded the motion. Motion carried unanimously.

**10. CONSIDER GD (Local) Policy Update**

Mr. Darin Kazmir presented. Reminded board that this was policy discussed at the 3PM workshop in great detail. Summarized it by sharing that this policy has been in review for almost a year now. It is part of the Strategic Plan. It was brought to attention that the policy needed clarity, it needed to be consistent across all VC venues. VC has been receiving more and more requests from non-profits to use our main campus for different events. VC Administration and VC Legal have reviewed it several times, we have had numerous discussions, we have accepted some of legals recommendations, some that were not legally required, just suggested, we have not. Mr. Kazmir went over the handouts provided and spent extra time on some of the significant changes. The policy originally began as a 6-page document, and it ended as a 13-page document. We feel very confident with the end product and that in the next few months, we will also be bringing forth a fee schedule for board approval. Currently, we are making sure that the fee schedules are consistent across all VC venues. Mr. Luis Guerra moved to accept the policy as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

**11. CONSIDER Contract for Election Services**

Dr. Jennifer Kent presented. She shared with the board that we will have two board positions up for reelection in May of this year, District 1, currently held by Dr. Josie Rivera and District 2, currently held by Mr. Luis Guerra. Approval of this contract would mean that the Victoria County Elections Administrator will coordinate, supervise and handle all aspects of administering the May 4, 2024 General Election. The College will be responsible for the preparation, adoption, and publication of all required election orders, resolutions, notices and any other documents required by the Texas Election Code. Victoria College will pay the County for equipment, supplies, services, and administrative costs as outlined in the contract. Dr. Josie Rivera moved to accept the contract as presented. Mr. Ron Walker seconded the motion. Motion carried unanimously.

**12. CONSIDER Order Calling a Joint Election on May 4, 2024**


Dr. Jennifer Kent presented. She shared with the board that approval would mean the election amount will be pro-rated among all entities participating in the May 4, 2024 election. Mrs. Catherine McHaney moved to accept the order as presented. Mr. Ron Walker seconded the motion. Motion carried unanimously.

President's Report:

Dr. Jennifer Kent shared the following with the board:


- The upcoming Chamber of Commerce Banquet, there were two available seats if anyone was interested in attending, please let her or Amy Mundy know
- VC Official Ground Breaking of the Student Success Center – Amy Mundy shared it would be held on January 30<sup>th</sup> at 430PM, more details would be forthcoming soon
- Dr. Kent shared handout with the board
- Dr. Kent shared information on the Port of Victoria – possible 617 FT jobs in the coming years
- Calhoun County area – lots of incoming jobs are their near future as well
- Victoria College is working on their recruiting efforts, making those connections so we are there when they need training and then connecting them to the actual jobs

There being no further business, the meeting was adjourned at 5:11 PM.



---

Bland Proctor, Chair



---

John Zacc, Secretary