

MINUTES of the SPECIAL MEETING
of the BOARD OF TRUSTEES of VICTORIA COLLEGE
held August 14, 2014

- | | |
|--------------------|-----------------------|
| √ Ronald B. Walker | √ Catherine McHaney |
| √ Luis A. Guerra | √ V. Bland Proctor |
| √ Dr. Josie Rivera | √ John A. Villafranca |
| √ Robby Burdge | |

STAFF

- √ Dr. Tom Butler
- √ Jennifer Yancey
- √ Debbie Rains

MEDIA

Victoria Advocate

Guests: Keith Blundell, Dr. Pat Vandervoort, Lydia Huber, Tracey Bergstrom, Ed Byerly, Betsy Crane, Sherri Pall.

The Victoria College Board of Trustees met Thursday, August 14, 2014, at 4:00 p.m. in the Corporate Training Room, Academic Building, Room 101. Mr. Ron Walker, Chair, presided over the meeting.

A. Call to Order:

1. Mr. Ron Walker called the meeting to order at 4:00 p.m.
2. Dr. Tom Butler certified that the agenda had been properly posted per Texas statute.

B. Communication:

1. The Public was invited to address the board. No public comments were heard.

C. Consider Board of Trustees Committee Reports:

1. **Finance & Resources.** Mr. Luis Guerra, Chair of the committee, reported that the committee met on July 21st to discuss May financials, financial advisory contracts, and the 2014 tax rate planning calendar. Keith Blundell walked through these items with the committee.

D. Items for Consideration:

1. **CONSIDER Minutes of the regular Board Meeting held on July 21, 2014.** Mr. Bland Proctor moved to accept the minutes as presented. The motion was seconded by Ms. Catherine McHaney. Motion carried unanimously.
2. **CONSIDER Proposed College tax rate for 2014.** Keith Blundell presented this item to the board. He reminded the board that Rena Scherer, Victoria County Tax-Assessor Collector performed the calculations. He informed the board that the taxable values increased by 5.66%.

2013 was the first year that we assessed taxes for the 2012 Tax Obligation bonds for the ETC, which caused the calculated Effective Tax Rate (ETR) for 2014 to increase to \$0.1744 per \$100 valuation. New improvements are exempted from the ETR calculation and were at \$166,891,752. The ETR assessment would bring in \$782,260 less than what has been budgeted. Mr. Blundell referred to the historical property tax scenarios, pointing out the current tax rate of \$0.1823 per \$100 valuation and the rollback rate. He informed the board that the rollback rate of \$0.1875 per \$100 valuation would meet our budget and cover the debt service next year. He also walked through the detailed calculations for VC as published in the newspaper and the tax appraisal comparison for 2014 and 2013. Dr. Butler requested the board to consider a tax rate and if the tax rate the board proposes exceeds the Effective Tax Rate, take a record vote and schedule two public hearings. Mr. Luis Guerra proposed to set the 2014 tax rate at the rollback rate of \$0.1875 per \$100 valuation and requested that two public hearings be set. Mr. Bland Proctor seconded the motion. Ron Walker-aye, Luis A. Guerra-aye, Dr. Josie Rivera-aye, Ms. Catherine McHaney-aye, Bland Proctor-aye, Robby Burdge-aye, John A. Villafranca-aye. Motion carried unanimously.

3. **CONSIDER Engagement of Independent Auditors for 2013-2014 fiscal audit.** Dr. Butler presented this item to the board. He reminded them that this is the third year of a five year proposal and the fee will remain at \$27,500. He informed the board that VC has had a very good working relationship with this firm and recommends approving the engagement of Pattillo, Brown & Hill, LLP. Mr. Robby Burdge moved to approve the engagement of Pattillo, Brown & Hill, LLP, Independent Auditors for the 2013-2014 fiscal audit. Ms. Catherine McHaney seconded the motion. Motion carried unanimously.
4. **CONSIDER Tuition for new Welding 2/3 combo course.** Dr. Butler informed the board that we are expanding our non-credit welding offerings. Welding 3 learning outcomes include pipe welding, which is needed by the petro chemical and oil & gas industries. Welding 2 curriculum includes many of the same learning outcomes as Welding 3, but does not include pipe welding. The Welding 2/3 combination course will allow students to complete the training in less time than taking it as single courses and will also be more affordable for them (\$1,600.00). Ms. Catherine McHaney moved to approve the tuition for the new Welding 2/3 combination course. Mr. John A. Villafranca seconded the motion. Motion carried unanimously.
5. **CONSIDER Testing fees for new Test of Essential Academic Skills (TEAS) exam.** Dr. Butler informed the board that the current Diagnostic Entrance Test (DET) for LVN assessment is being replaced with the Test of Essential Academic Skills (TEAS) which is the industry standard. The TEAS testing fee is \$45, scheduling fee of \$11 and an administrative cost of \$4, for a total of \$60. Mr. Luis A. Guerra moved to approve the testing fees for the new Test of Essential Academic Skills (TEAS) exam. Dr. Josie Rivera seconded the motion. Motion carried unanimously.
6. **CONSIDER Resolution relating to the Construction Best Method Process and the Prevailing Wage Rate.** Dr. Butler reviewed this item with the board. The Texas Government Code 2269.056(a) allows the college to determine the best method when considering a construction contract. This resolution sets the best value to Victoria College for new construction is construction manager-at-risk, and otherwise is competitive sealed proposal with the exception of minor repairs and renovations to existing structures and facilities which occur throughout the fiscal year. Minor repairs and renovations best method is job order contracting which includes air conditioning, boiler, electrical, roofing, masonry, carpeting repair, tile work, asphalt/concrete work, ceiling grid repair, and plumbing services. In conjunction with the best method when considering

a construction contract, it is recommended that the board adopt the most current prevailing wage rate(s) used for Victoria County, County of Gonzales, County of Calhoun, County of DeWitt and Lavaca County, as per the most recent survey results for the building trades and highway construction rates as issued by the U.S. Department of Labor. Mr. Robby Burdge moved that the resolution relating to construction best method process and the prevailing wage rate be approved as presented. Mr. Bland Proctor seconded the motion. Motion carried unanimously.

7. **CONSIDER Resolution authorizing Delegation of Authority under Texas Education Code 44.031.** Dr. Butler reminded the board that this item is also revisited annually. Texas Education Code 44.0312, as amended, allows Victoria College to delegate its authority under Subchapter B, Chapter 44, of the Texas Education Code to Dr. Thomas Butler, President. This allows the College to proceed with the ordering of goods and services in a timely manner. Ms. Catherine McHaney moved to approve the resolution authorizing delegation of authority under the Texas Education Code 44.0312 to Dr. Tom Butler. Mr. Luis A. Guerra seconded the motion. Motion carried unanimously.
8. **CONSIDER Resolution authorizing Delegation of Authority under Texas Govn't Code 2269.** Texas Govn't Code 2269.053, as amended, allows VC to delegate its authority under Subchapter (a), Chapter 2269 to Dr. Thomas Butler, President. This resolution provides Dr. Butler the authority to approve all construction purchases over \$50,000, with ratification by the board at the next scheduled board meeting, allowing VC to make timely purchases. Mr. Bland Proctor moved to approve the resolution authorizing delegation of authority under the Texas Govn't Code 2269.053 to Dr. Tom Butler. Dr. Josie Rivera seconded the motion. Motion carried unanimously.
9. **CONSIDER Purchase of Goods or Services:**
 - a. **ETC Industrial Training Center furniture.** Dr. Butler explained to the board that notifications were sent to 51 vendors and posted on the website; the committee received 12 bids for the requirements. He noted that this was a split award for furniture for the ETC Industrial Training Center in the total amount of \$67,924.57 to include tables, stools without assembly and storage cabinets without assembly. The committee recommended no award for storage shelves as they determined a similar product at better pricing could be purchased from local vendors. Dallas Midwest, LLC, Stephens Office and Office Source, Ltd., were selected by the committee based on purchase price, reputation, quality of goods and services, extent to which the districts services were met and total long-term cost. No local bids were received. Mr. Robby Burdge made a motion to accept the bids of Dallas Midwest, LLC, Stephens Office, and Office Source, Ltd. for the ETC Training Center Furniture. Mr. Luis Guerra seconded the motion. Motion carried unanimously.
 - b. **Building Supplies & Equipment for FY 2014-15.** Dr. Butler walked through this bid with the board. Notification was sent out to 24 vendors and posted on the website; 2 bids were received. The committee recommends awarding the Building Supplies & Equipment Re-Bid to Zarsky Lumber and Gulf Bolt & Supply, to allow flexibility to obtain products and allowing for best value purchasing. The committee estimates the total annual cost to exceed \$50,000. Ms. Catherine McHaney made a motion to accept the bids of Zarsky Lumber and Gulf Bolt & Supply for the Building Supplies & Equipment Re-Bid. Mr. Luis Guerra seconded the motion. Motion carried unanimously.
 - c. **Art, Bond, Drafting and Copy paper for FY 2014-15.** Dr. Butler presented this item to the board. Three bids were received and Commercial Art Supply, FJ Business Forms, and Costco Wholesale were selected by the committee based on purchase price, reputation, quality of goods and services, and past working relationship. Dr. Josie Rivera made a motion to accept the bids of

Commercial Art Supply, FJ Business Forms and Costco Wholesale in the total amount of \$61,363.40 for art, bond, drafting and copy paper for FY 2014-15. The motion was seconded by Mr. Bland Proctor. Motion carried unanimously.

E. President's Report:

Dr. Butler informed the board that VC held orientation this week and approximately 550 students participated. Jennifer Yancey further informed the board that the students attending orientation and their parents are invited to a breakfast tomorrow beginning at 7:30 a.m. at the Sports Center; approximately 1,000 registered to attend.

Jennifer Yancey also informed the board that she and Dr. Butler had met with several foundation/company representatives this week to request support for the ETC facilities. She also announced that Tempie McLeod had been selected as the ETC Manager. Ms. Yancey concluded with reviewing the VC upcoming events.

There being no further business, the meeting adjourned at 4:21 p.m.

Ron Walker, Chair

Dr. Josie Rivera, Secretary