



TEXAS SOUTHMOST COLLEGE DISTRICT
THE UNIVERSITY OF TEXAS AT BROWNSVILLE and TEXAS SOUTHMOST COLLEGE

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Texas Southmost College District

Minutes of the Regular Meeting of the Board of Trustees

April 26, 2007

The Board of Trustees of the Texas Southmost College District convened in open session on April 26, 2007 at 5:30 p.m. in the Board Room of Gorgas Hall, Texas Southmost College. Board members present were Mr. Chester Gonzalez, Chair, Mr. Eduardo A. Campirano, Secretary, Ms. Dolly Zimmerman, Mr. David Oliveira, and Dr. Roberto Robles. Absent were Mr. Roman "Dino" Esparza and Ms. Rosemary Breedlove, Vice Chair. Also present was Dr. Juliet V. Garcia, President of The University of Texas at Brownsville and Texas Southmost College.

Call to Order

1 Board Briefing

Master Chorale's Performance in Ireland

Dr. Charles Dameron, Vice President for Academic Affairs, introduced the UTB/TSC Master Chorale and their Director, Ms. Dianne Brumley, to make a presentation regarding their performances in Ireland during the week-long St. Patrick's Day celebration. The students narrated pictures of their trip which included performances in three historic churches: Collegiate Church of St. Nicholas in Galway, St. Mary's Cathedral in Limerick, and St. Patrick's Cathedral in Dublin.

The Chorale performed several songs, including "Danny Boy," and presented souvenirs to the Trustees. The Trustees and President Garcia thanked the Master Chorale and their Director for representing UTB/TSC and the region at their performances.

2 Announcements

There were no announcements.

3 Executive Session

as provided by Government Code,
Chapter 551.072

Real Estate

Contract and Resolution for Purchase
of Fort Brown Villas II, Unit 6D,
Brownsville, Texas

Contract and Agreement, Which
Includes the Acceptance of Land From
a Private Donor and a Long-Term
Lease Agreement for Adjacent
Submerged Lands From the City of
Port Isabel

Utility Easement to the Brownsville
Public Utilities Board for the ITEC
Campus

The Board convened in Executive Session at 6:23 p.m.

The Board reconvened in Regular Session at 7:44 p.m.

4 Consideration and possible action on matters discussed in Executive Session

**Consideration and Possible Action on
Contract and Resolution for Purchase of
Fort Brown Villas II, Unit 6D, Brownsville, Texas**

A motion was made by Dr. Robles to approve the Contract and Resolution for the Purchase of Fort Brown Villas II, Unit 6D, Brownsville, Texas, as presented. The motion was seconded by Ms. Zimmerman and carried unanimously. Exhibit "A"

**Consideration and Possible Action on
Contract and Agreement, Which Includes the Acceptance of Land
From a Donor and Long-Term Lease Agreement For Adjacent
Submerged Lands From the City of Port Isabel**

A motion was made by Dr. Robles to approve the contract and agreement as presented. The motion was seconded by Mr. Campirano and the item carried. Ms. Zimmerman abstained from deliberating and voting on this item. Exhibit "B"

**Consideration and Possible Action on
Utility Easement for the Brownsville Public Utilities Board
for the ITEC Campus**

A motion was made by Ms. Zimmerman to approve the Utility Easement for the Brownsville Public Utilities Board for the ITEC Campus as presented. The motion was seconded by Dr. Robles and the item carried. Mr. Campirano abstained from deliberating and voting on this item. Exhibit "C"

5 Approval of Minutes of Previous Meeting

**Consideration and Possible Action on
Minutes of Regular Meeting March 1, 2007**

A motion was made by Mr. Campirano to approve the minutes of the Regular Meeting of March 1, 2007, as presented. The motion was seconded by Ms. Zimmerman and carried unanimously.

6 Speakers to Agenda Items and Public Discussion

Mr. Abraham Ponce addressed the Board regarding the upcoming conclusion of his tenure as President of the Student Government Association. He thanked the Trustees and President García for their support of student initiatives, including the recent Athletic Fee Referendum. The Trustees affirmed that it had been a pleasure to see him grow in a leadership position and wished him good luck in his future pursuits.

7 Business Affairs Partnership Committee

Mr. Campirano reported that the Business Affairs Partnership Committee met on Monday, April 23, 2007, in conjunction with the Board of Trustees Workshop. The following items were discussed at the meeting:

**Consideration and Possible Action on
Change Order #2 to the Contract with R.E.C. Industries
for the ITEC Campus Thermal Plant Project**

Mr. Campirano reported that Change Order #2 is necessary to cover the cost of replacing about 12,000 square feet of roof decking. The deteriorated decking was discovered when the existing roof was removed during the construction process.

A motion was made by Mr. Campirano to approve Change Order #2 to the contract with R.E.C. Industries for the ITEC Campus Thermal Plant Project in the amount of \$114,748, as presented. The motion was seconded by Ms. Zimmerman and carried unanimously. Exhibit "D"

**Consideration and Possible Action on
Substantial Completion and Authorization to Release
Final Payment to R.E.C. Industries for the Thermal Plant Project**

Mr. Campirano reported that the Thermal Plant Project included modifications to the thermal plant and roof area, installation of two new 1,000 ton chillers and relocation of the cooling tower installed under Phase One of the project. He stated that the Project Management Team and the Project Engineer conducted substantial completion inspections during the first week of April 2007. Mr. Campirano stated that the warranty period will begin as soon as the punch list items are completed.

A motion was made by Mr. Campirano to accept Substantial Completion of the ITEC Campus Thermal Plant Project and authorize the Assistant Vice President for Planning and Construction to close the project upon completion of punch list items and issue final payment, as presented. The motion was seconded by Dr. Robles and carried unanimously. Exhibit "E"

**Consideration and Possible Action on
Change Order #2 to the Contract with Jamail Construction
for the Pedestrian Bridge Project**

Mr. Campirano stated that Change Order #2 is needed to cover the cost of labor and materials required for the installation of pilings for the Pedestrian Bridge. Approximately one-half of the pilings required additional drilling and splicing to meet construction requirements.

A motion was made by Mr. Campirano to approve Change Order #2 to the Contract with Jamail Construction for the Pedestrian Bridge Project in the amount of \$14,885.73, as presented. The motion was seconded by Mr. Oliveira and carried unanimously. Exhibit "F"

**Consideration and Possible Action on
Bid for General Property Insurance**

Mr. Campirano reported that the District requested bids for General Property Insurance through a competitive sealed bid process. The deadline to receive bids was Tuesday, April 17, 2007. He stated that Bids were received from Shepard Walton King and Newtek Insurance Services.

In addition, Mr. Campirano reported that staff requested an alternative insurance proposal from UT System. The two bids and the UT System alternative were reviewed in detail at the BAPC meeting.

Mr. Campirano called on Ms. Rosemary Martinez, Vice President for Business Affairs, to introduce the representatives from the UT System Office of Risk Management to make their presentation. Mr. Phillip B. Dendy, Director, and Mr. Paul D. Pousson, Associate Director, reviewed the UT System alternative, which consists of the following:

- TSC must continue to purchase National Flood Insurance Program (NFIP) and Texas Windstorm Insurance Association (TWIA) policies. Coverage for windstorm damage through the TWIA is \$3.2 million per building, up to a total of \$68 million in coverage. The TWIA premium is \$466,279.
- This UT System alternative provides \$50 million in excess windstorm coverage, for a total of \$118 million in coverage. Since TSC's property value is \$153 million, TSC will be underinsured by \$35 million, or half of the value of the ITEC Campus.
- The deductible for excess windstorm coverage is \$250,000. On top of this, TSC will be required to pay 40% of the debt service of the amount utilized. The other 60% will be paid by the pool over a 15-year repayment period.
- The deductible for Fire and All Other Perils insurance is \$250,000 plus an additional 50% of the first \$7.5 million in claims. The other 50% will be paid by the pool over a 5-year repayment period.
- TSC must use at least 50% of any premium savings each year to implement loss prevention recommendations. Savings would be approximately \$200,000 fiscal year 2007 and \$500,000 for fiscal year 2008.
- The annual premium to participate in the UT System pool is \$162,271. The premium payment and billing would be coordinated through UTB. The Partnership Agreement will be amended to address terms and conditions of participation in the pool.

A motion was made by Mr. Campirano to accept the bid from Shepard Walton King for Windstorm Insurance through the Texas Windstorm Insurance Association in the amount of \$466,279, as presented. The motion was seconded by Mr. Oliveira and carried unanimously. Exhibit "G"

In addition, a motion was made by Mr. Campirano to participate in the UT System Insurance Pool for All Other Perils insurance and \$50 million in excess windstorm insurance in the amount of \$162,271, as presented. The motion was seconded by Mr. Oliveira and carried unanimously. Exhibit "H"

8 Institutional Effectiveness Partnership Committee Report

Consideration and possible action on Institutional Effectiveness Goals

This item was tabled.

9 Bond Projects

**Consideration and Possible Action on
Resolution Authorizing the Commencement of Proceedings
Relating to the Issuance of Limited Tax Bonds, Appointing
District Advisors and Consultants; and Other Matters Related Thereto**

**Consideration and Possible Action on
Resolution Authorizing the Commencement of Proceedings
Relating to the Issuance of Maintenance Tax Notes, Appointing
District Advisors and Consultants; and Other Matters Related Thereto**

Dr. David Pearson, Vice President for Partnership Affairs, introduced Ms. Anne Burger Entrekin, the District's Financial Advisor from First Southwest Company, to provide the Board with the capital financing options for the next sale of bonds. Dr. Pearson reminded the Board that the Tax Bonds authorized by the voters in November 2004 call for a series of bond issuances up to \$68 million. He reported that there have been two bond issuances of \$20 million in 2005 and \$25 million in 2006. Dr. Pearson added that Maintenance Tax Notes are a debt instrument available to the District to be used for renovation and maintenance expenses.

Ms. Entrekin provided a market update. She also reviewed the original capital improvement financing plan from what was originally estimated in 2004 to the actual series of bond issuances to date. She stated that due to low interest rates and increased tax valuations, the District has been able to sell a large percentage of the \$68 million in bonds approved by the voters earlier than anticipated in the original financing plan.

Ms. Entrekin reviewed the options for the Series 2007 and 2008 bond sales and Maintenance Tax Notes. She stated that the recommendation, which has been discussed with the District staff, is to sell \$14 million in Tax Bonds in 2007 and \$9 million in 2008. In addition, the District may have the ability to sell up to \$2 million in Maintenance Tax Notes in 2007 and \$2.25 million in 2008, if the market conditions allow it and the assessed valuation estimates are met.

Mr. Campirano asked if a decision had been made for the use of the Maintenance Tax Notes. Ms. Veronica Mendez, Assistant Vice President for Planning and Construction, stated that the recommendation for the use of the Maintenance Tax Notes will be presented to the Board for their approval during the discussions for the fiscal year 2008 budget, which will occur in June. She also stated that the staff would be recommending the use of the Maintenance Tax Notes to cover the increased cost of construction in the projects currently underway. Ms. Mendez also clarified that the action requested of the Board was only to allow the staff to commence the proceedings for bond issuances. The actual approval of the sale of the bonds would be presented at the June Board meeting.

A motion was made by Dr. Robles to approve the Resolution Authorizing the Commencement of Proceedings Relating to the Issuance of Limited Tax Bonds, Appointing District Advisors and Consultants; and Other Matters Related Thereto. The motion was seconded by Ms. Zimmerman and carried unanimously. Exhibit "I"

A motion was made by Dr. Robles to approve the Resolution Authorizing the Commencement of Proceedings Relating to the Issuance of Maintenance Tax Notes, Appointing District Advisors and Consultants; and Other Matters Related Thereto. The motion was seconded by Ms. Zimmerman and carried unanimously. Exhibit "J"

10 Construction Report

Dr. Pearson reported the following:

- Air conditioning vents and electrical wiring are being installed at the Lightner Center. This project, which will house the Academic Advising department, is on schedule.
- The George Truan Sculpture Garden is substantially complete. A dedication ceremony is planned for September 2007.
- Work continues in the interior of the Neutra House. A tour of the facility was conducted prior to the Board meeting, including members of the Brownsville City Commission, the Mayor, and TSC Trustees.

11 President's Report

President Garcia reported the following:

- Memorial activities to honor the victims of the shootings at Virginia Tech took place on campus Monday, April 23. The Student Government Association led a gathering of the campus community on the South Lawn for a group picture to send to Virginia Tech students. Also, a Candlelight Vigil at the Student Union Lawn was held with music, a slide show, and an opportunity for the participants to share their thoughts with each other.
- The Guidance and Counseling Program in the School of Education received the first annual Chancellor's Innovations in Education Award given by UT System. The award recognizes the outstanding accomplishments of the faculty and recognizes the extraordinary work being done in the Community Counseling Clinic at UT Brownsville. Drs. Alma Leal, Olivia Rivas, Manuel Zamarripa, Selma Yznaga, and Ray Adomaitis will receive the award on May 4th in Austin at the Annual Meeting of the Chancellor's Council.

- The School of Education had a site accreditation visit by the Texas Higher Education Coordinating Board to review the Doctoral Proposal in Education. The visit included meetings with administrators, faculty, potential students, and community members. As a result, the site team made a recommendation to approve the Doctorate in Curriculum and Instruction with a specialization in Bilingual Studies. The final approval is expected later this year from the Texas Higher Education Coordinating Board.
- This year's recipient of the UT System Chancellor's Council Outstanding Teaching Excellence Award is Dr. David Hicks, Assistant Professor in the Biological Sciences Department. A medallion and monetary award will be presented to him during the commencement ceremony in May.
- UTB/TSC will hold its Fourth Annual Ring Ceremony on Friday, April 27th, at 5:00 p.m. in the Student Union Gran Salon. This year more than 150 students and alumni have ordered their unique UTB/TSC class rings throughout the fall and spring semesters. More than 70 students are expected to participate in the ring ceremony where they will dip their hand in a blue liquid dye before receiving their ring.
- The UTB/TSC's Quinceañera Gala will be held Friday, April 27th. The event, which includes a dinner and concert, is a fundraiser that benefits endowed scholarships for students. The dinner begins at 6:30 p.m. in the Jacob Brown Auditorium, and will be followed by the concert with Trio Los Panchos at 8:30 p.m.
- Spring Commencement at UTB/TSC will have a new look. For the very first time, colleges and schools will hold their own ceremonies for graduates. More than 900 students are candidates for graduation, and will receive their degrees on Saturday, May 12. The day will begin at 9:00 a.m. with a general ceremony for graduates only. The ceremony will take place on the lawn in front of Cardenas Hall South. The commencement address will be delivered by Mark Yudof, Chancellor of The University of Texas System. Following the general ceremony, the graduates and their faculty will march to the individual school and college ceremonies, where graduates will receive their degrees.

12 Proposed Meeting Dates

Thursday, May 31, 2007

Thursday, June 21, 2007

July – No meeting

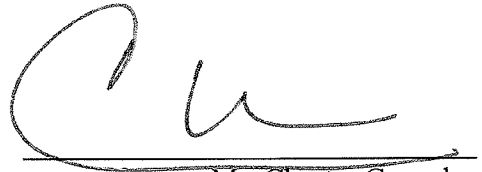
Thursday, August 30, 2007

Thursday, September 27, 2007

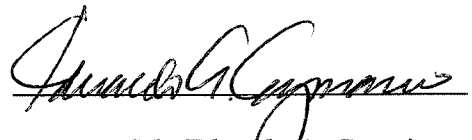
Mr. Gonzalez reviewed the meeting dates with the board.

Adjournment

The meeting was adjourned by Chairman Gonzalez at 8:30 p.m.



Mr. Chester Gonzalez
Chairman, Board of Trustees



Mr. Eduardo A. Campirano
Secretary, Board of Trustees

NOTE: The tape of the Regular Board of Trustees meeting held on April 26, 2007 is on file at the District Office of the Texas Southmost College District. The master tape is on file at the UTB/TSC Media center. These minutes were taken and transcribed by Mary G. Hernandez, Operations & Services Manager. Videotaping of the Board of Trustees' meetings began on April 11, 1996. They are aired on Channel KISD in cooperation with the Brownsville Independent School District.