



TEXAS SOUTHMOST COLLEGE DISTRICT

THE UNIVERSITY OF TEXAS AT BROWNSVILLE and TEXAS SOUTHMOST COLLEGE

80 Fort Brown • Brownsville, Texas 78520 • (956) 882-3879 • Fax: (956) 882-8811 • www.utb.edu

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Official Notice of the

**Texas Southmost College District
Regular Meeting**

**for
July 28, 2011**

Posted

July 25, 2011

AGENDA

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Jul 25, 2011 at 04:38P

Joe G Rivas
County Clerk
By
Nassie Pena, Deputy
Cameron County

The Board of Trustees of the Texas Southmost College District will convene **Thursday, July 28, 2011, at 5:30 p.m.** in the Gorgas Board Room at The University of Texas at Brownsville and Texas Southmost College, 80 Fort Brown, Brownsville, Texas 78520.

Call to Order

1 Announcements

2 Transition Team Status Report

**Dr. Robert Furgason and
Dr. John Anthony,
TSC Transition Team**

3 Opening Statements by Trustees

**4 Speakers to Agenda Items and
Public Discussion**

**5 Approval of Minutes of
Previous Meeting**

Consideration and possible action on:

Regular Meeting, June 16, 2011

6 Executive Session

as provided by Government Code, Chapter 551.071, 551.072 and 551.074.

Legal Matters

Approval of TSC Legal Counsel Invoices

Update on Partnership Issues

Discussion and Review of Golf Course Contract

Real Estate

Approval of Property Appraiser to Conduct Appraisal of the Dyna-Go Properties, Inc. dba Rivercentre Plaza Land of 7.4 Acres and Authorization for Interim Vice President for Finance and Administration to Execute the Appraisal

Discussion regarding the TSC Fort Brown Condos Villas I and II

Personnel Matters

Update on Presidential Search

Approval of Finalist for Presidential Search

Approval of Vice President of Instruction and Student Services and to Advertise the Position

Approval of Marketing and Communication Position and to Advertise the Position

7 Consideration and possible action on matters discussed in Executive Session

Legal Matters

Approval of TSC Legal Counsel Invoices

Update on Partnership Issues

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Approval of Vice President of Instruction and Student Services and to Advertise the Position

Approval of Marketing and Communication Position and to Advertise the Position

8 TSC District Budget
Consideration and possible action on:

First Reading of the TSC District Budget for Fiscal Year 2011-2012

Budget Amendments for FY 2011

9 Academic Programs
Consideration and possible action on:

Report
Deactivation of Low Producing Programs

New and Revised Renewable Energy Programs

10 Board Policies

Consideration and possible action on:

Second Reading Board Policies:

V.B.2 – Deposits to and Withdrawals from Depository

V.B.4 – Check Writing and Safety Deposit Box

V.B.5 – Checks

V.F.5 – Purchasing and Bids: Level of Approval

Discussion Regarding Board Policy:

III.A. - Board Authority

Discussion Regarding Developing New Policy Manual for TSC District

11 Physical Facilities Committee

Consideration and possible action on:

Report

Selection of a Construction Management Consulting Firm to conduct a Review of Construction Projects that will include but not be Limited to the Audit of: Change Orders, Plans and Specifications, Consultant's Contracts, Contractor's Contracts, Bond Money Allocation, Project Close-Out Status, Project Allowances, and Project Warranties, Evaluation and Recommendations for Texas Southmost College District Bond Construction Projects and Approval of Interim Vice President of Finance and Administration to Enter Contract Negotiations

Approval of a Contract with George Cunningham Co., Inc., for the Mary Rose Cardenas North/South Chilled Water Piping Replacement

Acceptance of a Bid to Purchase the Surplus Brick Material

**12 3rd Quarter Financial Statements and
Investment Report**

13 Proposed Meeting Dates

Board Meetings:

*Thursday, August 11, 2011 – First
Public Hearing – IF Necessary*
*Monday, August 15, 2011 – Second
Public Hearing – IF Necessary*

Thursday, August 25, 2011
Thursday, September 15, 2011
Thursday, October 20, 2011
Thursday, November 17, 2011
Thursday, December 15, 2011

Adjournment

Individuals with disabilities are entitled to have access to and participate in public meetings. An individual requiring an accommodation for access to the meeting must notify the Texas Southmost College District in writing 24 hours prior to the scheduled meeting of the necessity of an accommodation. Upon receipt of this request, the Texas Southmost College District will furnish appropriate auxiliary aids and services when necessary to afford an individual with a disability an equal opportunity to participate in and enjoy the benefits of the Board meeting as non-handicapped individuals enjoy.

Texas Southmost College District

Minutes of the Regular Meeting of the Board of Trustees

June 16, 2011

The Board of Trustees of the Texas Southmost College District convened in open session on June 16, 2011, at 5:30 p.m., in the Gorgas Board Room at The University of Texas at Brownsville and Texas Southmost College. Board members present were Francisco G. Rendon, Chair; Dr. Roberto Robles, Vice Chair; Adela G. Garza, Secretary; Trey Mendez; Dr. Robert A. Lozano; René Torres and David Oliveira. Dr. Juliet V. García, President of The University of Texas at Brownsville and Texas Southmost College was absent.

Call to Order

The meeting was called to order by Dr. Robles, Vice Chair at 5:35 p.m.

1. Announcements

Dr. Robles introduce Mr. Chet Lewis who has joined Texas Southmost College (TSC) as the new Interim Vice President for Administration and Finance. Mr. Lewis comes from the University of Texas at Brownsville where he served as the Associate Vice President for Business Affairs and Financial Services. Mr. Lewis was handling the Budgeting, Account and Finance, and purchasing departments. His experience and institutional knowledge will be beneficial to the partnership separation tasks that are needed to accomplish in the coming years.

Mr. Lewis brings to TSC other experience outside higher education as a manager in the utility industry, chief financial officer for a Texas municipality, and public account experience with Deloitte and Touche. Mr. Lewis obtained his bachelor's in accountancy from Arizona State University and received a master's in accountancy from the University of Texas – Pan American.

Dr. Robles called on Mr. Lewis to say few words. Mr. Lewis said he was very excited for the opportunity given to him and thanked the Board.

2. Transition Team Status Report

Dr. Robles called on Dr. Robert Furgason and Dr. John Anthony, TSC Consultants for the Transition Team. Dr. Furgason reported that they are very delighted to have Chet Lewis working on the financial elements of the transition. Dr. Furgason reported that TSC has obtained the domain name of tsc.edu and once established it will provide the communication on the development of Texas Southmost College. He thanked Michael Putegnat and others for helping develop the domain name.

Dr. Furgason reported that the transition team has been working on strategies for the personnel transition, and developing the infrastructure of TSC and joint services. He will provide reports at a later date on the status of the strategies. There are two prospectives one is programmatic and support services and the other is facilities. He said they are taking every facility that exist between UTB and TSC to identify who is occupying it, what they are doing, and how many square feet is being used. That will form the basis on which facility needs to be separated and which facilities will have joint use of contracts. Dr. Furgason mentioned they will have a joint meeting with both transition teams on June 23, 2011 in Austin, Texas.

Dr. Robles stated that he was glad that there was a website for tsc.edu. Dr. Furgason corrected Dr. Robles and said it is in the process to being developed and will be available in the near future.

Dr. Furgason called on Dr. Anthony to give an update on the Presidential Search. Dr. Anthony stressed the importance of approaching things in a positive manner and conveying to the public, student body, faculty and staff that this transition is moving forward positively on both sides, and that both institutions will thrive as a result. Dr. Anthony reported that the Board will be appointing the screening committee to assist in the search for the presidential candidates. The group of finalists will be presented to the Board in July. Dr. Anthony reported that a TSC Presidential application had to be designed and was done in a professional manner with the assistance of the District Office staff.

Dr. Anthony reported that an additional advertisement was placed in the Chronicle of Higher Ed. He also stated that there are currently twenty-nine confirmed resumes, curriculum vitae, and applications on file. In addition, he has had conversations with seven additional people that will submit their credentials. He is very excited with the process and responses that have been received. He mentioned that the screening committee will be community representatives appointed by the Board and members of faculty and staff. They will be tasked with screening candidates and presenting a semifinalist group to the Board for

interviews. Dr. Anthony will conduct intensive reference checks, even checking references from individuals not listed on the candidates resume.

Dr. Anthony stated that open forums for each of the finalists will be arranged. The candidates will be invited to campus to make presentations that will be open to the public, students, faculty, members of the community, and the press. Those in attendance will be given the opportunity to fill out a questionnaire that will be presented to the Board before a final decision is made. The process is extremely open, however prior to the final stage all the names must remain confidential. According to the open meetings act, it is a felony to release the names before the finalist is selected by the board.

Mr. Torres stated that he was very satisfied with the process of the transparent and openness of the work. He also stated his satisfaction with the website being developed and its ability to communicate with the community, faculty, staff, and students.

3. Opening Statement by Trustees

Chairman Rendon thanked Chet Lewis for coming on board. He also thanked Dr. Anthony and Dr. Furgason for their hard work in the positive direction moving forward.

Ms. Garza stated that it is important to continue to believe that this process is going to work and that we need the two institutions working together because both need each other. She also expressed the need to continue a positive attitude moving forward because of the importance to the students and the community. She stated that she has received many calls from community members that are excited and mentioning programs that may be available for TSC to offer. She also thanked Dr. Anthony and Dr. Furgason on helping TSC move forward. She welcomed Mr. Lewis and was glad that he joined TSC. She mentioned that the Board agreed and voted unanimously on hiring Mr. Chet Lewis.

Dr. Robles made a correction that it was not unanimously voted and stated that he was not able to attend the meeting at 2:00 p.m. because he was working. He also said he was glad that Mr. Lewis is on board to support the finances of TSC.

4. Speakers to Agenda Items and Public Discussion

Chairman Rendon called on Dennis Sanchez, on behalf of Dyna-Go Properties, Inc. Mr. Sanchez expressed his concerns regarding Cueto Building.

5. Approval of Minutes of Previous Meetings

Consideration and Possible Action on Approval of Minutes of the Regular Meeting on May 25, 2011

A motion was made by Ms. Garza to approve the Minutes of the Regular Meeting on May 25, 2011 as presented. The motion was seconded by Mr. Torres and carried unanimously.

Consideration and Possible Action on Approval of Minutes of the Regular Meeting on June 3, 2011

A motion was made by Mr. Mendez to approve the Minutes of the Regular Meeting on June 3, 2011 as presented. The motion was seconded by Mrs. Garza and carried. Dr. Lozano voted nay.

6. Executive Session

as provided by Government Code,
Chapter 551.071, 551.072 and 551.074.

The Board convened in Executive Session at 6:04 p.m.

The Board reconvened in Regular Session at 7:17 p.m.

7. Consideration and possible action on matters discussed in Executive Session

Litigation Regarding 0.96 Acres of Land Cause No. 1:08-CV-232 United States of America vs. 0.96 Acres of Land More or Less, et al.

Chairman Rendon called on Frank Perez, TSC Attorney to explain the litigation. Mr. Perez reported that this matter had been taken to the Board previously on May 25, 2011. Mr. Perez reported that he had conversations with United States Attorneys and determined that seven out of the eight cases that has TSC as a party have been administratively closed and have judgments entered. Any monies that have been allocated to viable claims has been distributed so those seven cases TSC should sign the disclaimers in any interest and not get involved in any protracted litigation. The US Attorney office and will have the disclaimers ready soon.

Approval of Non-Disclosure Agreement

Chairman Rendon called on Mr. Perez to explain. Mr. Perez stated that UT System has asked that TSC sign a non-disclosure agreement dealing with information that will be shared between TSC and UT System during the Transition. Mr. Perez shared his concern of one passage in the proposed agreement that is confusing whereby TSC might or might not have an obligation to keep the information confidential. He contacted general counsel Barry Burgdorf of UT System and will speak to him to clarify the passage, and once it is clarified it will be ready for signature by TSC.

A motion was made by Mrs. Garza to approve on signing the Non-Disclosure Agreement once Mr. Perez makes the clarifications that he mentioned and is satisfied with the wording as presented. The motion was seconded by Dr. Robles and carried unanimously. *Exhibit "A"*

Approval of Property Appraiser to conduct Appraisal of the Cueto Building and the Dyna-Go Properties, Inc. dba Rivercentre Plaza Land of 9.4 acres and Authorization of Interim Vice President for Administration and Finance to Execute the Appraisal

Dr. Lozano expressed his concerns that the Board continue to focus on the transition team and the Presidential Search. He stressed his belief that the President will be able to develop the vision of TSC as well as the Board. Dr. Lozano disagrees with moving forward with the appraisal and expressed his concern of its appropriateness to helping students or tax payers at this moment.

Mr. Torres agrees with Dr. Lozano on focusing on the transition and believes it is being done. He said that Mr. Dennis Sanchez mentioned that he is interested in buying the Cueto Building and that it is appropriate at this time to conduct an appraisal of that building for the fair market value for the property.

Dr. Robles also agreed with Dr. Lozano. He prefers for Mr. Chet Lewis to do an analysis where TSC stands financially. After that has been concluded, then TSC can start looking for appraisals that need to be done. He mentioned that the appraisals cost tax payer money and believes that it's too soon for the appraisals.

Mr. Oliveira agreed but added that TSC needs to be focused on the Fort Brown property that is adjacent to the campus that will need some investment in the next few years. Mr. Oliveira also agreed for TSC to be focused on the transition and doesn't see a point on getting an appraisal on the 9.4 acres property.

Mr. Mendez expressed his opinion that the Cueto Building is property that can be liquidated and TSC should seek an appraisal on that building.

A motion was made by Mrs. Garza to authorize the Interim Vice President for Administration and Finance to obtain appraisals from Holland and Associates for Cueto Building and Dyna-Go Properties, Inc. dba Rivercentre Plaza land of 9.4 acres with an appraiser and alternate. The motion was seconded by Mr. Torres. Mr. Mendez amended the motion to include the appraisal of the properties separately

An amended motion was made by Mrs. Garza for the approval of Holland and Associates to conduct the appraisal of the Cueto Building and authorize the Interim Vice President for Administration and Finance to execute the appraisal. The motion was seconded by Mr. Torres. The motion was carried with Mr. Rendon, Mrs. Garza, Mr. Torres and Mr. Mendez voting in favor of the motion. Dr. Robles, Mr. Oliveira, and Dr. Lozano voted nay.

A motion was made by Mr. Torres for the approval of Holland and Associates to conduct the appraisal of the Dyna-Go Properties, Inc. dba Rivercentre Plaza land of 9.4 acres and authorize the Interim Vice President for Administration and Finance to execute the appraisal. The motion was seconded by Mrs. Garza. Mr. Rendon and Mr. Torres voted in favor. Dr. Robles, Mr. Oliveira, and Dr. Lozano voted nay. Mr. Mendez abstained from voting. The motion failed. *Exhibit "B"*

Update on Presidential Search

No action was taken.

Approval of Presidential Screening Committee Members

Chairman Rendon stated that the Board has developed a list of eleven members of the screening committee made up of community members, faculty and staff. Members included: Mr. Jeff Roerig, Mr. Dino Chavez, Mr. Ygnacio Garza, Mr. Ed Rivera, Ms. Leslie Bingham, Dr. Rey Garcia, Mr. Luis de la Garza, Ms. Nora Montalvo, Faculty, Ms. Laura Villarreal, Faculty, Ms. Blanca Bauer, UTB Staff, and Ms. Kim Sanchez, TSC Staff. He thanked every Board member who proposed a member for the committee and the committee members wanting to serve.

A motion was made by Dr. Lozano to approve the list of the TSC Presidential Screening Committee members as presented. The motion was seconded by Mr. Oliveira and carried unanimously. *Exhibit "C"*

Discussion of Candidate for Appointment to Transition

A motion was made by Dr. Lozano to appoint Mr. Chet Lewis, Interim Vice President for Administration and Finance to the TSC Transition Team as presented. The motion was seconded by Dr. Robles and carried unanimously.

Assignment of Administrative Designee to the Board of Trustees

A motion was made by Mr. Torres to appoint Mr. Chet Lewis, Interim Vice President for Administration and Finance as Administrative Designee to the Board of Trustees until such time that a President is hired as presented. The motion was seconded by Mrs. Garza and carried unanimously.

8. Bank Depository

Consideration and Possible Action on Selection of Bank Depository for Fiscal Year 2012

Chairman Rendon called on Mr. Lewis to present the item. Mr. Lewis reported that the Board has a policy to select a Bank Depository every two years. In May of 2007 a bid was conducted by the staff and BBVA Compass Bank was selected as the bank depository. He said that staff had not gone out for bids but were happy with the experience they had with the bank. Mr. Lewis made a recommendation to continue with the relationship with BBVA Compass Bank. He also mentioned staff reviewed and didn't expect any substantial savings.

A motion was made by Mr. Torres to renew the contract with BBVA Compass Bank as the District's bank depository beginning September 1, 2011 and ending August 31, 2012 as presented. The motion was seconded by Mrs. Garza and carried unanimously. *Exhibit "D"*

9. Board Policies

**Consideration and Possible Action on First Reading Board
Policies: V.B.2 – Deposits to and Withdrawals from Depository,
V.B.4 – Check Writing and Safety Deposit Box, V.B.5 – Checks,
and V.F. 5 – Purchasing and Bids: Level of Approval**

Chairman Rendon called on Mr. Lewis present the item. Mr. Lewis stated that there are a number of policies that are being updated to identify who will be the responsible party on the transactions for the District. Mr. Lewis reported that the language that being inserted is “President or the Administrative Designee of the Board” rather than “UTB/TSC President or designee”.

No action was taken. Exhibit “E”

10. Physical Facilities Committee

Report

Chairman Rendon called on Mr. Oliveira to make the report. Mr. Oliveira reported that the Physical Facilities Committee met on Monday, June 14, 2011. Board members present were Mr. Rene Torres, Mrs. Adela Garza, Ex-Officio Member Mr. Kiko Rendon and himself. Others present were Mr. Chet Lewis and Mr. Michael Putegnat.

The first item discussed was the selection of a construction management consulting firm to conduct a review of the Texas Southmost College District Bond construction projects. At the April 28, 2011 Board of Trustees meeting, staff was directed to begin the RFQ process to select a Consulting Management Firm to conduct an audit review. The committee discussed the purpose of this audit and the need to change the type of audit from an accounting audit to that of a management audit. Mr. Oliveira has requested that both firms present their qualifications to the Physical Facilities Committee and invite the entire board for the presentation. Mr. Torres, Mrs. Garza and Mr. Rendon expressed their desire to move forward with this process. After a firm is selected, Mr. Lewis will negotiate a price for final approval by the Board.

**Consideration and Possible Action on Selection of a
Construction Management Consulting Firm to conduct a review
that will include but not limited to the Audit of: Change Orders, Plans,
and Specifications, Consultant’s Contracts, Contractor’s Contracts, Bond
Money Allocation, Project Close-Out Status, Project Allowances, and
Project Warranties, Evaluation and Recommendations for Texas
Southmost College District Bond Construction Projects**

A motion was made by Mr. Oliveira to authorize staff to invite both Consulting Management firms, Prodigy Construction Management, LLC and Spire Consulting Group, LLC to give a formal presentation on qualifications to the Physical Facilities Committee meeting in July as presented. The motion was seconded by Mrs. Garza and carried unanimously. Exhibit “F”

The next item discussed was the future remodeling of the Neale House and Officers' Quarters. Mr. Lewis explained and presented a letter indicating the obligation to renovate and restore the Neale House. Mr. Lewis indicated that this renovation is tentatively planned to be included in the 2012 Historic Renovations Budget. He also explained that the Officers' Quarters renovation is currently funded in the 2011 budget. Both items will be addressed during the budget preparation process and priorities will be placed at that time.

Mr. Mendez reported that in June 2008 when the property of the Neale House was purchased, TSC agreed to renovate that property. Mr. Mendez mentioned that Neale House is the oldest framed house in Brownsville and is the important part of the history of Brownsville.

No action was taken.

11. Proposed Meeting Dates

TSC Budget Workshop /BAPC

Monday, July 25, 2011

Thursday, July 28, 2011

Thursday, August 25, 2011

Thursday, September 15, 2011

Thursday, October 20, 2011

Adjournment

The meeting was adjourned by Chairman Rendon at 7:57 p.m.

Mr. Francisco G. Rendon
Chairman, Board of Trustees

Ms. Adela G. Garza
Secretary, Board of Trustees

NOTE: The tape of the Regular Board of Trustees meeting held on June 16, 2011, is on file at the District Office of the Texas Southmost College District. The master tape is on file at UTB/TSC Media Services. These minutes were taken and transcribed by Max E. Roca, Administrative Secretary. Videotaping of the Board of Trustees' meetings began on April 11, 1996. They are aired on Channel KBSD in cooperation with the Brownsville Independent School District.



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: TSC Finance Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on First Reading of the TSC District Budget for Fiscal Year 2011-2012	
Rationale/Background: Annual budget requirements are contained within a rider in the general appropriation act by the State of Texas. The proposed budget will fund partnership obligations, scholarships, TSC Operations, capital Improvements and debt obligations.	
Recommended Action: No action required. Item will be presented for second reading and action at next board meeting.	
Fiscal Implications:	Budgeted Item: <input type="checkbox"/> Yes <input type="checkbox"/> No N/A If no, explain:
Attachments (List):	

FOR OFFICE USE ONLY:
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Tabled for action on: _____
Certified by: _____ Title: _____ Date: _____



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: Finance Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on Budget Amendment for Fiscal Year 2011	
Rationale/Background: Request for budget amendment #11-007 General Fund, Campus Facilities Fund, 2009 Tax Debt Service, and 2009 Maintenance Tax Notes.	
Recommended Action: Motion to approve budget amendment #11-007 for Fiscal Year 2011 as presented.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List): Budget Amendment: #11-007	

FOR OFFICE USE ONLY:
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Tabled for action on: _____
Certified by: _____ Title: _____ Date: _____

**TEXAS SOUTHMOST COLLEGE
BUDGET AMENDMENT REQUEST
2010-2011**

Date: July 28, 2011

Item No.	Account Number			Account Title	Current Budget	Revenues	Expenses	Amended Budget
1	69	779	119	Fiscal Agent Fees	\$ 200		\$ 1,264	\$ 1,464
				2009 Tax Debt Service Fund	\$ 93,326	\$ -	\$ 1,264	\$ 92,062
2	70	779	119	Fiscal Agent Fees	\$ 200		\$ 1,264	\$ 1,464
				2009 Maintenance Debt Service	\$ 76,605	\$ -	\$ 1,264	\$ 75,341
3	01	762	119	Promotional/Advertising	\$ 40,000	\$ -	\$ 25,872	\$ 65,872
4	01	776	119	Consulting Fees	100,000		(25,872)	74,128
				General Fund Balance	\$ 6,002,496	\$ -	\$ -	\$ 6,002,496
5	30	6050	318	Student Health	\$ 45,000	\$ -	\$ 50,114	\$ 95,114
6	30	9101	301.3	Campus Improvements	2,368,000		(50,114)	2,317,886
				Campus Facilities Fund Balance	\$ 917,279	\$ -	\$ -	\$ 917,279

Reasons for Amendments:

- 1 To adjust for expenses for Fiscal Agent Fees.
- 2 To adjust for expenses for Fiscal Agent Fees.
- 3 To adjust for unbudgeted expenses of advertisements for the positions of Executive Director and Assistant Vice President for Finance.
- 4 To transfer funds for unbudgeted expenses in Promotional/Advertising.
- 5 To adjust for expenditures related to the Student Health (Cortez Allied Health) Building.
- 6 To transfer fund to Student Health (Cortez Allied Health) Building expenses.



Interim Vice President for Administration and Finance

President

This amendment has been accepted _____, rejected _____, by the Texas Southmost College Board of Trustees

on _____.

Adela G. Garza, Secretary

#11-007



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: Academic Affairs	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on Deactivation of Low Producing Programs.	
Rationale/Background: Through December 2010, the Coordinating Board staff accepted requests for program changes to include: 1) consolidation with existing programs, or 2) phase out of programs. For career technical certificates, associate and bachelor's programs, low producing is defined as, an average of five degrees awarded per academic year, to total not fewer than twenty-five degrees awarded for any five-year period. The following programs were flagged as Low-Producing by THECB: <ol style="list-style-type: none">1. Certificate of Proficiency – Machine Shop Operations2. Associate of Applied Science – Machine Tool Technology3. Associate of Applied Science – Engineering Technology – Manufacturing (Mechatronics)4. Associate of Applied Science – Engineering Technology – Electronics The notifications were sent to the departments for discussion. The options for these programs were to consolidate them with existing programs or phase them out. No programs exist that are eligible for consolidation so the decision was made to phase out the programs and to reallocate faculty and resources to support the renewable energy programs created as part of a Texas workforce Commission grant.	
Recommended Action: Motion to approve the Deactivation of Low Producing Programs as presented and direct the Provost to forward to the Texas Higher Education Coordinating Board.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List):	

FOR OFFICE USE ONLY:
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Tabled for action on: _____
Certified by: _____ Title: _____ Date: _____



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: Academic Affairs	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on New and Revised Renewable Energy Programs.	
Rationale/Background: New programs can be added at any time to the TSC inventory by following the New Program Approval Process included in Chapter 5 of the 2010 GIPWE. The adopted rules allow automatic approval of a new associate of applied science degree or certificate program if an institution and governing board certify that the criteria are met and that current documentation is available to support the criteria. The New and Revised Renewable Energy Programs are recommended as follows: <ol style="list-style-type: none"> 1. Associate of Applied Science in Renewable Energy <ul style="list-style-type: none"> - Revised certificates as building blocks toward new AAS in Renewable Energy - -Construction Technology Certificate – Green Building - -Commercial Electrician – Small Wind Turbine Technology - -Plumbing Certificate – Solar Thermal Technology - -Residential Electrician – Solar Photovoltaic Technology 2. Consolidated certificates as building block toward new AAS in Renewable Energy <ul style="list-style-type: none"> - Current offerings with significant duplication: Air conditioning and Refrigeration Technology Certificates in Commercial, Domestic, and Residential - Consolidated offering: Geothermal Heating and Cooling Certificate 	
Recommended Action: Motion to approve the New and Revised Renewable Energy Program as presented and direct the Provost to forward to the Texas Higher Education Coordinating Board.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List):	

FOR OFFICE USE ONLY:		
Board Action: Approved:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Tabled for action on:	_____
Certified by: _____	Title: _____	Date: _____



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: TSC District Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on Second Reading Board Policy V.B.2 – Deposits to and Withdrawals from Depository, V.B.4 – Check Writing and Safety Deposit Box, V.B.5 – Checks, V.F.5 – Purchasing and Bids: Level of Approval.	
Rationale/Background: These changes revise the signature delegation to reflect recent organizational changes so that signature authority for daily operations and other operational activities can continue and to facilitate efficient transition in the future when there are management and/or organizational changes. Changes: 1. Read "President or the Administrative Designee of the Board" rather than "UTB/TSC President or designee"	
Recommended Action: Motion to approve the second reading of Board Policy V.B.2 - Deposits to and Withdrawals from Depository, V.B.4 – Check Writing and Safety Deposit Box, V.B.5 – Checks, V.F.5 – Purchasing and Bids: Level of Approval as presented.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List): TSC Policy V.B.2 – Deposits to and Withdrawals from Depository TSC Policy V.B.4 – Check Writing and Safety Deposit Box TSC Policy V.B.5 – Checks TSC Policy V.F.5 – Purchasing and Bids: Level of Approval	

FOR OFFICE USE ONLY:
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Tabled for action on: _____
Certified by: _____ Title: _____ Date: _____

**TEXAS SOUTHMOST COLLEGE
POLICY STATEMENT**

TITLE	Deposits to and Withdrawals from Depository	NUMBER V.B.2
AUTHORITY	SUJCD <u>Texas Southmost College District</u> Board of Trustees	PAGE 1 of 1

APPROVED BY BOARD OF TRUSTEES: February 24, 1971

LAST AMENDED BY BOARD: November 1, 2001

POLICY:

The ~~UTB/TSC President or designee~~ President or the Administrative Designee of the Board is authorized to endorse checks payable to the College for the purpose of depositing them into the proper account at the depository bank. The ~~UTB/TSC President or designee~~ President or the Administrative Designee of the Board is also authorized to make withdrawals from said account.

TEXAS SOUTHMOST COLLEGE	BOARD OF TRUSTEES	
_____	CHAIR	DATE
UTB/TSC PRESIDENT _____	SECRETARY	DATE
DATE		

**TEXAS SOUTHMOST COLLEGE
POLICY STATEMENT**

TITLE	Check Writing and Safety Deposit Box	NUMBER V.B.4
AUTHORITY	Art. 3, Sec. 52, Texas Constitution	PAGE 1 of 1

APPROVED BY BOARD OF TRUSTEES: July 30, 1968

LAST AMENDED BY BOARD: November 1, 2001

POLICY:

- a. The ~~UTB/TSC President or designee~~ President or the Administrative Designee of the Board and the Chairperson and the Secretary of the Board of Trustees are empowered to sign checks and are permitted access to the District's safety deposit box.
 - i. Three signatures are required on checks.
 - ii. Any two must be present in order to get access to the safety deposit box.
- b. Signature cards of former incumbents will be voided, and new cards will be provided to the depository bank when changes in authorized personnel occur.

TEXAS SOUTHMOST COLLEGE	BOARD OF TRUSTEES
 <hr/>	<hr/>
UTB/TSC PRESIDENT _____	CHAIR _____ DATE _____
DATE _____	SECRETARY _____ DATE _____

**TEXAS SOUTHMOST COLLEGE
POLICY STATEMENT**

TITLE	Checks	NUMBER V.B.5
AUTHORITY	Art. 3, Sec. 52, Texas Constitution	PAGE 1 of 1

APPROVED BY BOARD OF TRUSTEES: June 23, 1969

LAST AMENDED BY BOARD: ~~November 1, 2001~~ May 17, 2010

POLICY:

- a. In cases of checks bearing the face value of less than \$4,999.99, the machine signature of the Chairperson and the Secretary of the Board of Trustees of the Texas Southmost College District, plus the facsimile signature of the ~~UTB/TSC President~~ President or the Administrative Designee of the Board, will serve to validate said checks.
- b. In cases involving checks bearing the face value of \$5,000 or more (except payroll checks), the machine signature of the Chairperson and the Secretary, plus the hand signature of the ~~UTB/TSC President or the Designee of the~~ UTB/TSC President or the Administrative Designee of the Board, will serve to validate said checks.

TEXAS SOUTHMOST COLLEGE <hr style="border: none; border-top: 1px solid black; margin: 10px 0;"/> UTB/TSC PRESIDENT _____ DATE	BOARD OF TRUSTEES <hr style="border: none; border-top: 1px solid black; margin: 10px 0;"/> CHAIR _____ DATE <hr style="border: none; border-top: 1px solid black; margin: 10px 0;"/> SECRETARY _____ DATE
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**TEXAS SOUTHMOST COLLEGE
POLICY STATEMENT**

TITLE	PURCHASING AND BIDS: LEVEL OF APPROVAL	NUMBER V.F.5
AUTHORITY	By Authority of the Board of Trustees	PAGE 1 OF 2

APPROVED BY BOARD OF TRUSTEES: April 29, 1999

LAST AMENDED BY BOARD: ~~January 18, 2006~~ May 17, 2010

POLICY:

- a. No competitive quotes are required on a purchase of and less than \$2,000.
 - i. Requisitions shall be requested and approved by separate individuals.
- b. District expenditures under \$3,000 will require the approval of the ~~Designee of the UTB/TSC President~~ President or the Administrative Designee of the Board.
- c. Expenditures over \$3,000 and under \$25,000 will require the approval of the ~~UTB/TSC President or the Designee of the UTB/TSC President~~ President or the Administrative Designee of the Board.
- d. Bids shall be asked for all purchases over \$2,000 and under \$25,000 in accordance with the following:
 - i. Amounts from \$2,000-\$5,000 shall receive at least three (3) verbal quotes.
 - ii. Amounts over \$5,000, but less than \$25,000 shall receive at least three (3) written quotes. If the quotes are not received, then written justification must be submitted to, and the approval of the ~~District Comptroller~~ President or the Administrative Designee of the Board obtained.
 - iii. Notice of time and place where contracts valued at less than \$25,000 but more than \$10,000 will be let, may be limited to two successive issues of at least two (2) major newspapers published in Cameron County.
 - iv. Purchases for less than \$25,000 may be made from other governmental agencies without receiving verbal or written bids.
- e. Purchases for amounts of \$25,000 or more shall require competitive bidding and shall be in accordance with the following, except when purchased under State of Texas Group Purchasing Program:
 - i. Competitive bids shall be sought for the purchase of personal property or for construction, maintenance, repair or renovation of any building or for materials used in said construction, maintenance, repair or renovation, when said purchases or contracts are valued over \$25,000.
 - ii. Notice of the time and place where contracts valued at \$25,000 or more will be let, shall be published in at least two (2) major newspapers within Cameron County once a week for at least two (2) weeks prior to the time set for letting said contract.
- f. The Board of Trustees will designate a representative who may purchase without competitive bidding an item that is available from only one source, including:
 - i. An item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly.
 - ii. A film, manuscript or book.
 - iii. A utility service (e.g. water, gas, electricity).
 - iv. A captive replacement part or component for equipment.
 - v. Advertisements in local newspapers will not require bids when there is only one resident newspaper in the College taxing district.

- g. The exceptions provided by this subsection shall not apply to mainframe data processing equipment and peripheral attachments with a single-item purchase price in excess of \$25,000.
- h. Competitive bids received prior to deadline for submitting such bids shall be opened at a meeting, notice of which has been duly posted, shall be attended by the ~~District Comptroller~~ President or the Administrative Designee of the Board, designee, and any Board members who may wish to be present. These meetings shall be open to the public.
- i. It shall be the responsibility of the ~~Designee of the UTB/TSC President~~ President or the Administrative Designee of the Board to prepare a summary of bids received and to present such summary and recommendation to the ~~UTB/TSC President~~ President or the Administrative Designee of the Board who will then make a recommendation to the TSC District Board of Trustees on all items \$25,000 or more.
- j. The TSC District Board will make the final decision.
- k. The Board of Trustees shall have the right to reject any or all bids.
- l. If a school building or school equipment is destroyed or severely damaged, and the Board determines that the time delay posed by the competitive bidding process would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of such building or equipment may be made without resort to competitive bidding.
- m. Competitive bids may not be solicited for professional services of any licensed architect, physician, certified public accountant, or professional engineer.

TEXAS SOUTHMOST COLLEGE	BOARD OF TRUSTEES
<hr/>	<hr/>
UTB/TSC President _____ DATE	CHAIR _____ DATE
	<hr/>
	SECRETARY _____ DATE



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: TSC District Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on Discussion Regarding Board Policy: III.A. – Board Authority.	
Rationale/Background: <p>The Partnership Committees were originally established as a joint relationship with UTB, including representative members of students, staff, faculty, TSC Board of Trustees, the UTB/TSC Administration and the community.</p> <p>During the Transition process, the TSC Transition Team is considering the possibility of suspending the Partnership Committees as described in TSC Board Policy III.A.F – Board Authority – Committees of the Board and as described in the Executive Operating Agreement dated August 31, 1992.</p>	
Recommended Action: Motion to approve the suspension of all current Partnership Committees as described in TSC Board Policy III.A.F – Board Authority – Committees of the Board as presented.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List): TSC Policy III.A.F – Board Authority – Committees of the Board Executive Operating Agreement dated August 31, 1992	

FOR OFFICE USE ONLY:
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Tabled for action on: _____
Certified by: _____ Title: _____ Date: _____

**TEXAS SOUTHMOST COLLEGE
POLICY STATEMENT**

TITLE	Board Authority and Operations	NUMBER III.A.F
AUTHORITY	Texas Education Code, Sec. 130.040, 130.084, 130.002, 61.003 and 23.26	PAGE 1 of 6

APPROVED BY BOARD OF TRUSTEES: August 31, 1992

LAST AMENDED BY BOARD: October 21, 2010

Policy:

F. COMMITTEES OF THE BOARD

1. Partnership Committees

These committees are joint committees with The University of Texas at Brownsville.

- a. Business Affairs
- b. Academic Affairs and Research
- c. Student Affairs
- d. Institutional Effectiveness

2. Partnership Committee By-Laws

ARTICLE I: DESCRIPTION

The Board Partnership Committees are joint standing committees of The University of Texas at Brownsville and the Board of Trustees of Texas Southmost College.

ARTICLE II: SANCTION

Board Partnership Committees are established by the Board of Trustees of Texas Southmost College and the President of UTB/TSC. Committee recommendations are made to the respective establishing authority.

ARTICLE III: PURPOSE

Partnership Committees are established to collect information, determine if a consensus exists on a matter, and to make recommendations.

ARTICLE IV: MEMBERSHIP

A. Classification

Members will be representative of students, staff, faculty, TSC Board of Trustees, UTB/TSC administration and the community. No alternates for any class of membership are allowed.

B. Composition and Selection

The membership of each committee is as follows:

- One student member designated by Student Government body
- One faculty member designated by Faculty Government body
- One staff member designated by Staff Government body
- One community member designated by TSC Trustee Co-Chair
- One community member designated by UTB/TSC President
- Two TSC Trustee members designated by TSC Board Chair
- One UTB/TSC Administrator designated by UTB/TSC President
- President of UTB/TSC as Ex-Officio
- TSC Board Chair as Ex-Officio

C. Terms

1. The term of office for the student, staff and faculty members will coincide with the terms set forth in their respective governing constitutions.
2. The term for the TSC Trustee members and community members is two years and coincides with the organizational meeting of the TSC Board of Trustees.
3. The UTB/TSC administrator serves at the pleasure of the UTB/TSC President.

D. Vacancies

Recommendations for vacancies will be submitted in writing by the respective designating body to the Co-Chair of the Committee. The Co-Chair receives the recommendation from the respective designating body and officially affirms the appointment to fill the vacancy at the subsequent Committee meeting.

E. Special Conditions

1. All Partnership Committee meetings shall be open to the public.
2. All appointed Committee and Ex-Officio members can vote.
3. Quorum is established when a majority of the members are present.
4. The UTB/TSC administrator for each Committee is responsible for taking and maintaining minutes of all meetings and posting the agenda at Gorgas Hall no less than seventy-two (72) hours before each meeting is to begin. Such posting shall include the date, time, place and agenda.
5. Any member of the Committee may request an item be placed on the agenda through the UTB/TSC President, or the UTB/TSC Co-Chair, at least three (3) working days before the notice of the meeting is posted.
6. Clerical support for Committee meetings will be provided by the office of the UTB/TSC administrator serving as Co-Chair.

ARTICLE V: OFFICERS

All Partnership Committees shall each have two (2) Co-Chairs; one appointed by the UTB/TSC President and one appointed by the Chair of the TSC Board of Trustees. The Co-Chairs will alternate annually.

ARTICLE VI: MEETINGS

Meetings shall be held at least quarterly. Meetings may be called by either Co-Chair with five working days notice to the other Co-Chair. Committee meetings shall be conducted according to Robert's Rules of Order.

ARTICLE VII: DUTIES AND POWERS

Board Partnership Committees serve in an advisory capacity to the UTB/TSC President and to the TSC Board of Trustees.

3. Standing Committee

The Board may establish standing committees.

a. Audit Committee

4. Audit Committee By-laws

ARTICLE I: DESCRIPTION

The Audit Committee (“Committee”) is a standing committee of the Texas Southmost College District Board of Trustees (“Board”).

ARTICLE II: SANCTION

The Committee shall be composed of three members of the Board and two persons not affiliated with Texas Southmost College District, and is charged with developing and monitoring the audit processes of the Board. The Committee shall recommend audit policies and procedures to the Board for its review and consideration, including:

- Pre-approving audit scope and permitted non-audit services performed by the Texas Southmost College District’s (“District”) external audit firm
- Appointing and overseeing the work of any registered public accounting firm employed by the District
- Appointing and overseeing independent advisors as deemed necessary to carry out the Board’s audit duties

ARTICLE III: PURPOSE

The Committee assists the Board in fulfilling its oversight responsibilities relating to the integrity of the District financial statements, the systems of internal control, the independence and performance of the external and internal audit functions, and the District’s compliance with legal and regulatory requirements. The Committee shall take all appropriate actions to set the overall District tone for quality financial reporting, sound business risk practices, and ethical behavior.

ARTICLE IV: MEMBERSHIP

A. Classification

Membership shall consist of three members of the Board, and two persons not affiliated with the District.

If a community member designated to a Partnership Committee is absent for three (3) consecutive regular meetings, the community member’s spot shall be considered vacant unless the community member is sick or has first obtained a leave of absence

from a regular meeting. Additionally, a community member designated to a Partnership Committee shall be a resident of the District and shall maintain such residency throughout the duration of his/her designation. Failure to fulfill this residency requirement shall result in said community member's spot being considered vacant. Any vacancy so created shall be resolved pursuant to the procedures set forth herein for filling vacancies.

B. Composition and Selection

The three members of the Committee that are Board members shall be appointed by the Board Chair. The two members of the Committee that are not affiliated with the District shall be appointed one by the Board Chair, and one by the Committee Chair.

C. Terms

The term for members is two years and coincides with the organizational meeting of the Board.

D. Vacancies

In the event of a vacancy, the Board Chair will appoint a replacement. Vacancy shall occur if a member:

1. Resigns from the Committee;
2. In the case of a member of the Committee who is a member of the Board of Trustees, ceases to be a member of the Board of Trustees for any reason;

E. Special Conditions

1. Members, to the extent permissible under general law, must be independent of management of the District, including its component units and related organizations, and be free of any financial or personal relationship that would impair such independence.
2. Appropriate orientation should be provided to new members by staff with direction from the Committee Chair.

ARTICLE V: OFFICERS

The Committee will have one Chair appointed by the Board Chair.

ARTICLE VI: MEETINGS

The Committee should meet as often as deemed necessary, but preferably at least four times annually. Meetings shall be posted according to and subject to the provisions of the Texas Open Meetings Act. Committee meetings shall be conducted according to Roberts Rules of Order.

ARTICLE VII: DUTIES AND POWERS

The following shall be the principal responsibilities of the Committee. These are set forth as a guide that the Committee may modify or supplement as appropriate.

A. External Audit

1. The Committee shall evaluate independent audit firms to perform the annual audit and recommend the selection of a firm to the Board of Trustees.
2. The Committee shall review and make an appropriate recommendation to the Board for the approval in advance of any non-audit services.
3. The Committee may meet with the external auditor before commencing the annual audit of the financial statements to review the general scope and procedures of the audit and to discuss areas where the Board may desire special emphasis.
4. Upon completion of the audit, the Committee shall meet with the external auditor to review the financial statements and independent auditor's reports and discuss the adequacy of internal controls and other findings that may include:
 - Discussion with the external auditor on the quality of the District's accounting practices, the consistency in the application of accounting policies, the degree of aggressiveness or conservatism in applying the accounting principles, the reasonableness of significant judgments and estimates, fraudulent and illegal acts, audit adjustments, audit difficulties, and the clarity and completeness of the financial statements and related disclosures.
 - Inquiries regarding the effectiveness of the District's system of internal controls.
 - Reviews of the external auditor's management letter, including management's responses and proposed actions. At a future meeting, determine whether the proposed actions have occurred and whether the external auditor agrees that its recommendations have been implemented.
5. The Committee shall present the results of the post-audit review to the Board and make a recommendation regarding the approval of the audited financial statements.

B. Internal Audit

1. A member of the Audit Committee who is a member of the Board of Trustees shall be appointed to the UTB/TSC Internal Audit Committee.
2. The member shall review the results of significant audit activities, audit reports, and management responses as they relate to the District.



TEXAS
SOUTHWEST COLLEGE

Michael B. Putegnat
Executive Director

August 31, 1992

Dr. Juliet V. Garcia
President
The University of Texas at Brownsville

Dear Dr. Garcia:

This *Executive Operating Agreement* is a letter of agreement regarding certain operational procedures pursuant to the implementation of the Educational Partnership Agreement, and its associated interagency contracts, between Texas Southmost College and The University of Texas at Brownsville.

1. Communications

(a) Official communications between The University of Texas at Brownsville and Texas Southmost College shall be through the Chief Executive Officers of each institution.

(b) The President or a Vice President of UTB shall attend the Regular Meetings of the TSC Board of Trustees and deliver a report on the state of the partnership and other matters.

(c) UTB and TSC will actively participate in and support the Partnership Committees.

2. Partnership Committees

The following shall be included in The University of Texas at Brownsville *Handbook of Operating Procedures ("HOOP")*:

Partnership Committees

Partnership Committees are established to collect information, determine if a consensus exists on a matter, and to make recommendations to the President of The University of Texas at Brownsville and/or the Board of Trustees of Texas Southmost College.

- (a) There will be initially three Partnership Committees:
- Academic Affairs
 - Business Affairs
 - Student Affairs

There may be up to five Partnership Committees.

- (b) The membership of the Partnership Committees shall be as follows:
- | | |
|---------------------------|----------------------------------|
| Student Member | designated by Student Gov't body |
| Faculty Member | designated by Faculty Gov't body |
| Staff Member | designated by Staff Gov't body |
| Public Member | designated by TSC Board Chair |
| Public Member | designated by UTB President |
| Two TSC Trustee Members | designated by TSC Board Chair |
| UTB VP or Dean Member | designated by UTB President |
| President of UTB | Ex-Officio |
| Executive Director of TSC | Ex-Officio |
| TSC Board Chair | Ex-Officio |

(c) The meetings shall be chaired by one of the two co-chairs. The chair shall alternate annually. The UTB VP or Dean member shall be designated as the UTB co-chair by the UTB President. A TSC trustee member shall be designated as the TSC co-chair by the TSC Board Chair.

(d) The Partnership Committee meetings shall be conducted according to Roberts Rules of Order.

(e) All Partnership Committee meetings shall be open to the public and notice of each meeting shall be posted at Gorgas Hall no less than 72 hours before each meeting is to begin. Such posting shall include:

Date

Time

Place

and the Agenda

(f) Only matters posted on the Agenda as per paragraph 2(e) may be considered and acted on at a Partnership Committee meeting.

(g) Meetings shall be held at least quarterly. Meetings may be called by either co-chair, according to procedure specified in paragraph 2(e) and with five (5) working days notice to other co-chair.

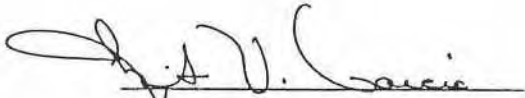
(h) Minutes shall be taken of each meeting and recorded officially in a Minute book.

(i) Any member of the Partnership Committee may request an item be placed on the agenda through the President of UTB, the UTB co-chair, or the Executive Director of TSC at least 3 working days before the notice of the meeting is posted.

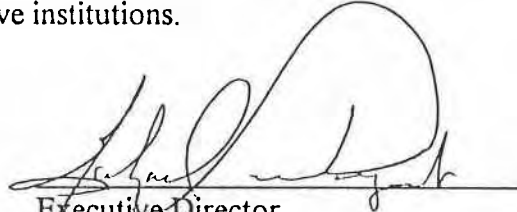
3. Logos & Name Reference:

(a) A convention for the use of the partnership logo and name reference will be devised and used by UTB and TSC. This convention will specify guidelines for the use of the logo in appropriate circumstances.

BY OUR SIGNATURES AFFIXED BELOW, we the undersigned on this date agree to the foregoing on the behalf of our respective institutions.



President
The University of Texas
at Brownsville



Executive Director
Texas Southmost College



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: TSC District Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on Selection of a Construction Management Consulting Firm to conduct a review of construction projects that will include but not be limited to the Audit of: Change Orders, Plans, and Specifications, Consultant's Contracts, Contractor's Contracts, Bond Money Allocation, Project Close-Out Status, Project Allowances, and Project Warranties, Evaluation and Recommendations for Texas Southmost College District Bond Construction Projects and Approval for Interim Vice President of Administration and Finance to Enter Contract Negotiations.	
Rationale/Background: On April 28, 2011, Texas Southmost College District Board of Trustees instructed staff to begin the Request for Qualifications (RFQ) Process to select an appropriate Consulting Management Firm to conduct the audit review of the bond construction projects. The qualifications were received on May 26, 2011, from two Consulting Firms Prodigy Construction Management, LLC from McAllen, Texas, and Spire Consulting Group, LLC from Austin, Texas.	
Recommended Action: Motion to recommend and authorize the Interim Vice President of Administration and Finance to enter contract negotiations for Construction Management Consulting Firm. If unable to reach an agreement with this firm, negotiations should then be made with the second highest ranked respondent.	
Fiscal Implications: Budgeted Item: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List): -Evaluation Sheet -Qualifications from Prodigy Construction Management, LLC -Qualifications from SPIRE Consulting Group, LLC	

FOR OFFICE USE ONLY:		
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Tabled for action on: _____		
Certified by: _____ Title: _____ Date: _____		

Evaluation Sheet

TSC N. RFQ11-14

"Construction Management Consulting Services"

Evaluator Name: _____

EVALUATION CRITERIA BREAKDOWN	Response Rankings	
	Prodigy	SPIRE

Rating Scale of 5 (highest) to 1 (lowest)

Scale 0 to 5: 0-1 Minimally addressed requirements/2-3-Meets requirements/ 4-5 Exceeds requirements

Statement of Interest		
Prime Firm		
Project Team		
Representative Projects		
References		
Project Execution		

Statement of Interest	10%
Prime Firm	5%
Project Team	15%
Representative Projects	50%
References	5%
Project Execution	15%
	100%

No action required in this section

0.00
0.00



Request for Qualifications

“Construction Management Consulting Services”

TSC RFQ No. 11-14



Construction Management LLC

PRODIGY CONSTRUCTION MANAGEMENT

Accountability that is Measurable and Attainable

May 26, 2011

Ms. Patricia G. Sanchez
Texas Southmost College District
Ms. Patricia G. Sanchez
Gorgas Tower
80 Fort Brown
Brownsville, Texas 78520

RE: Construction Management Consulting Services - RFQ No: TSC RFQ11-14 – Addendum No. 1

Dear Ms. Sanchez,

On behalf of the Prodigy Construction Management L.L.C. Team, I wanted to thank you for considering Prodigy CM's qualifications regarding the objective of providing The Construction Management Consulting Services for the Texas Southmost College District.

We greatly appreciated the opportunity to meet with you at the pre-submission conference on May 20, 2011. I thank you for better clarifying our concerns regarding the TSC RFQ No. 11-14 and its subsequent Addendum No. 1. It is important to note that the pre-submission conference allowed us to better understand exactly how important this project is to the Texas Southmost College District.

Please know that Prodigy Construction Management L.L.C. shares the same sentiment and passion in providing the "*Accountability that is Measurable and Attainable*" for the TSC RFQ No. 11-14.

Respectfully Submitted,
Prodigy Construction Management L.L.C.



Alex Palacios – CEO Principal

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Project Team	TAB - 3	Page: 5
Representative Projects	TAB - 4	Page: 10
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Project Execution	TAB - 6	Page: 14
Supplementary Information	TAB - 7	Page: 18

Statement of Interest

PRODIGY CONSTRUCTION MANAGEMENT

Accountability that is Measurable and Attainable

STATEMENT OF INTEREST

May 26, 2011

Ms. Patricia G. Sanchez
Texas Southmost College District
Ms. Patricia G. Sanchez
Gorgas Tower
80 Fort Brown
Brownsville, Texas 78520

RE: Construction Management Consulting Services - RFQ No: TSC RFQ11-14

Dear Ms. Sanchez

On behalf of the Prodigy Construction Management L.L.C. team, I want to thank you for your consideration of our firm's qualifications regarding the objective of providing a review and analysis of the construction management process of the most recent Texas Southmost College District bond projects.

Through this Response to the TSC Request for Qualifications, we hope to reveal that Prodigy Construction Management L.L.C. brings to you a uniquely qualified portfolio that will satisfy the requirements of your requested RFQ.

Why Prodigy?

CONSTRUCTION MANAGEMENT AUDIT

Our goals in providing Construction Management Audits are to assist each client's needs through our "Quality Value Assessment Program". This program starts with the assessment of the overall project management process from the project planning and preliminary design phases through the design, engineering, costs analysis value engineering, construction implementation, change orders, contractual issues, project completion and warrant follow-up. After the audit review process, we will identify the resources which were utilized in each aspect of the project to identify the overall financial management of the project, including but not limited to the allocations and usage of contingencies, allowances, betterments, multipliers, liquidated damages and consultant fees. Our Quality Value Assessment Program will identify for our clients a methodology which may be implemented in the future to allow our clients to recognize a better value of their construction funds.

CONTRACT AUDIT VERIFICATION

Prodigy CM's in house legal counsel will provide a contractual review of the Architect, the General Contractor and the Project Management's contracts which will aide in possibly identifying provisions that may or may not have served the best interest of the client. This legal review is a crucial element of the Quality Value Assessment Program.

4409 N. 22nd Street, McAllen Texas 78504

956.971.0050 (ph) 956.971.0069 (fax)

FINANCIAL AUDIT REVIEW

Prodigy CM's will provide a financial audit which identifies areas wherein the Owner contractually relinquished its direct control over its assets through contingencies, allowances, betterments, change orders, multipliers, liquidated damages, consultant fees, printing, closing documentation and ownership of intellectual property. Additionally, PCM will audit the monthly verifications of construction progress and work performed against the pay applications submitted.

CONSTRUCTION AUDIT

Prodigy CM will review and audit:

Preconstruction services – project management and implementation of plan reviews.

Pre-design and design phase services – audit design phase work.

Procurement phase services – evaluate procurement with the TSC standards.

Construction phase services – review and analyze all construction activity documentation.

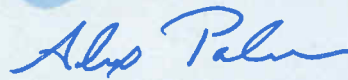
Close out phase services – audit all close out documentation and warranty

PCM's professional evaluations and analysis of troublesome projects can give the client a better understanding of the actions which may resulted in a "problematic project" and will, in turn, help reduce the client's future risks. We are experienced in dealing with a broad spectrum of construction difficulties and through the above referenced services identify problems encountered by architects and general contractors.

If selected, the Prodigy CM Team pledges to provide a direct and revealing final report of the review of the application of the TSC bond funds on the referenced projects in which direct opinions / recommendations will be expressed along-side our findings, with the intent of initiating a discussion on recommendations for corrections and or improvements.

We humbly appreciate the opportunity to participate in your selection process and further present our qualifications in person.

Respectfully Submitted,
Prodigy Construction Management L.L.C.



Alex Palacios – CEO Principal

Prime Firm

Prime Firm



Mario Rodriguez
Attorney / Construction Manager

Alex Palacios, Principle
Construction Administrator

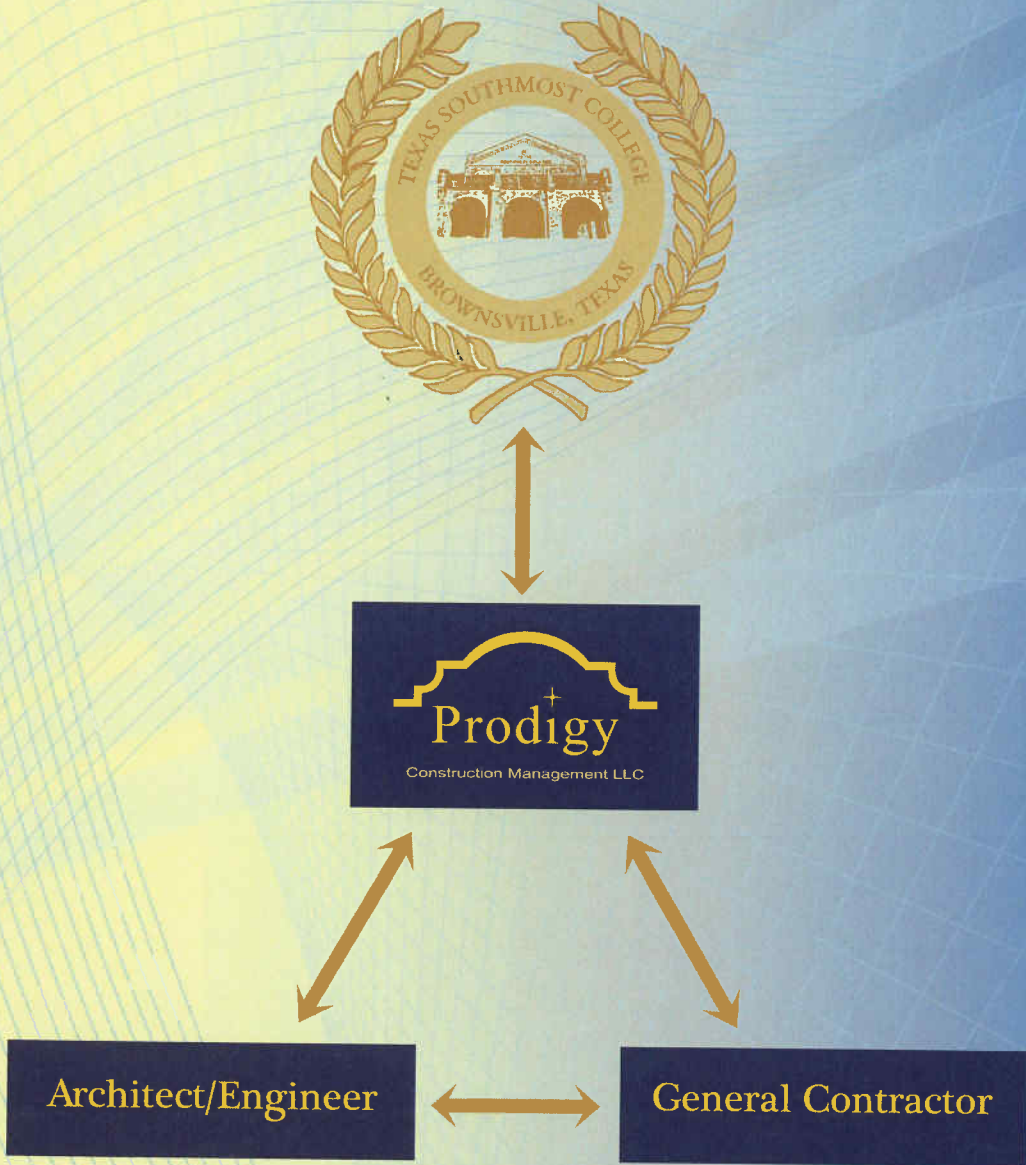
Donna Rodriguez
Construction Manager

Other Consultants
(as needed)

Nancy Sanchez
Accountant / Auditor

Support Staff

Prime Firm Organizational Chart



Project Team



Alex Palacios; CEO/Principal Construction Manager Technical Support

Mr. Palacios is a native of the Rio Grande Valley and has acquired more than 23 years of combined engineering and construction administration experience. He has managed, directed, designed, constructed and engineered various commercial and industrial projects in the areas of private and public construction in the State of Texas and Mexico.

During his work experiences of various commercial/industrial construction projects, Mr. Palacios has been able to effectively utilize his technical design engineering experience coupled with his field work in Construction Management to achieve successful and well managed Facilities. His day-to-day construction management responsibilities include construction documentation, trades coordination, project record keeping, construction accountability, OSHA safety regulations, enforce building codes, plan reviews, mitigation, A/E selections, and project close-outs. Negotiate all A/E contracts, reviews all change order requests, reviews all pay applications and manage project material testing labs.

Mr. Palacios has extensive experience in Educational-Secondary and post-secondary education, private commercial, public commercial and industrial-warehouse building structures, municipal, State and Federal projects. Current Managed Construction Budget in excess of 80 million in the last 5 years.

Mr. Palacios is bilingual and fluent in English/Spanish.

EXPERIENCE

Owner's Representative Construction Administrator for Weslaco Independent School District; Weslaco, Texas

Provided 100% Construction Project Management and Facilities Programming for over 80 million dollars of new and remodeled construction work. I coordinated all construction efforts between department staff, maintenance departments, architects, engineers and general contractors. I was also responsible for managing bond construction monies. I exercised centralized authority and control over all project management. Duties also included contract negotiations, scheduling, change order reviews, project documentation, weekly reports and coordinated close-out operations. Provide sound and effective decision making in managing the construction projects based on the project generated documentation.

Ben Bolt- Palito Blanco Independent School District; Ben Bolt, Texas Project Management Consultant

Prodigy provided project management in assisting the Board of Trustees and the Superintendent of Schools in creating and developing the A/E criteria, contract negotiations and Board ranking system for a 4.5 million dollar construction bond. Assisted in contract resources such as budgets, AIA contracts, construction scheduling, personnel and outlay in the facilities planning. Provide sound and effective decision making in managing the construction AIA documents for architect negotiation with the owner.

Alex Palacios; Project Manager
Prodigy Construction Management LLC

Project Role:

Project Administrator
Document Control and
Technical Support

Education:

Bachelor of Science
Mechanical Engineering

U. T. at Pan American, 1996

Associates Science Technical
Degree

Texas State Technical College,
1989

Registrations/Certifications:

-TDLR-HVAC ; Texas

No. TACLA18713E

Professional Affiliations:

STASMO – South Texas
Association of Maintenance and
Operations

ASHRAE- American Society of
Heating, A/C & Refrigeration

American Society of Mechanical
Engineers

Community Service:

McAllen ISD Board Trustee;
President 2000-2004

City of McAllen-Planning &
Zoning Board
2001-2003

OLPH Parish Church Council
Vice-President

VAMOS Scholarship Mentor
2010-current

Years of Experience:

+23

Office:

McAllen, Texas





Donna Rodriguez

Construction Manager
Technical Support

Project Role:

Construction Management
Document Control and
Technical Support

Education:

Bachelor of Science
Construction Science

Texas A&M University, 1989

Community Services:

City of McAllen Planning &
Zoning Board of Adjustments and
Appeals Co-Chair

City of McAllen Housing Authority
Board- member

City of McAllen Parks &
Recreation – Current Chair

Years of Experience:

20

Office:

McAllen, Texas

Ms. Donna Rodriguez, a Valley resident since 1992, has been involved in construction management for over twenty years. Ms. Rodriguez is also a 1989 graduate of Texas A&M University with a Bachelor of Science degree in Construction Science. She has spent her career implementing construction project management plans for such entities as the State of Texas Preservation Board, Fluor Daniel Inc., Texas Department of Transportation (TxDot) and Faulkner Construction.

Ms. Rodriguez has served as the on-site representative / construction manager overseeing various construction jobs from start to finish. Ms. Rodriguez has held positions in estimating, project management and contract administration. She has assisted in planning, implementing and directing construction budgets. Managing the construction schedule for contractors and subcontractors in the most effective and efficient manner to save time and complete a project within budget. Ms. Rodriguez has been responsible for the change order review, approving draw requests and documenting weekly work progress.

PROJECT MANAGEMENT EXPERIENCE

Texas Department of Transportation, Pharr, Texas
Engineer Technician IV / Document Control

US Highway 281 and US Highway 83 Interchange Construction estimated at \$24 million construction cost. Ms. Donna Rodriguez' responsibilities were to manage the project coordination specifically pertaining to the *document control, project record-keeping* and *construction administration* as well as technical experience in compiling submittals, change orders and testing data.

State of Texas Preservation Board, Austin, Texas
Project Management Coordinator

Ms. Donna Rodriguez' responsibility was to manage the project coordination specifically pertaining to the *document control, project record-keeping* and *construction administration* on the Extension and Exterior of the Capitol and the General Land Office Building in Austin, Texas. \$45 million, Capitol Exterior Restoration - \$18 million and Restoration of General Land Office Building - \$7 million.

Faulkner Construction Company; Austin, Texas
Construction Administration

Representative Projects:

- North Seton Hospital – Austin, Texas
- Valley International Airport – Harlingen, Texas
- Greyhound Race Track – Harlingen, Texas

Donna Rodriguez; Construction Manager
Prodigy Construction Management LLC





Mario Rodriguez, Attny Legal Contract Administration and Technical Support

Mr. Mario Alberto Rodriguez, J.D. is a 1989 graduate of Texas A&M University with a Bachelor of Science in Construction Science. In 1989 Mr. Rodriguez served as a Construction Project Coordinator with Fluor Daniel Construction / Engineering in Sugarland Texas after which Mr. Rodriguez then attended University of Texas School of Law, receiving his Doctor of Jurisprudence in 1992. Mr. Rodriguez is a licensed trial attorney with his own law firm, THE RODRIGUEZ LAW FIRM. Mr. Rodriguez is admitted to practice law and holds Licensures from The State Bar of Texas, United States of America United States District Court Southern District of Texas and the United States of America United States Court of Appeals for The Fifth Circuit Court.

Mr. Rodriguez is a valley resident and has been a trial attorney for over eighteen years with an emphasis in civil and construction litigation.

Mr. Rodriguez has volunteered his expertise during numerous terms and as chair for the City of McAllen Building Board of Adjustments and Appeals, as a member of the City of McAllen Airport Advisory Board where he chaired the committee to renovate the airport to meet post 9-11 security guidelines and on numerous other charitable and civic boards.

Mr. Rodriguez is bilingual and fluent in English/Spanish.

EXPERIENCE

April, 2000 to Present

The Rodriguez Law Firm – McAllen, Texas

Private Legal Practice

Provide legal review and drafting of Owner / Engineer Contracts, Owner / Design Build Contracts, Owner / Architect Contracts and rewrite of AIA documents.

The Rodriguez Law Firm is a multi practice litigation firm, with an emphasis on Construction Litigation.

Project Role:

Contracts Administrator/Project Coordinator

Education:

Doctor of Jurisprudence

University of Texas – School of Law – 1992

Bachelor of Science,
Construction Science

Texas A&M University, 1989

License

State Bar of Texas

United States Federal District Court
Southern District of Texas

United States Federal Court of
Appeals, Fifth Circuit Court

Texas Trial Lawyers Association

Years of Experience:

18+

Office:

McAllen, Texas





Sanchez Business Services Nancy P. Sanchez, Owner

Mrs. Sanchez is a native of the Rio Grande Valley and has acquired more than 22 years of combined school district business office administration, school buildings financing and construction administration experience. She managed and directed the business offices of several public entity districts and two charter school districts.

During her work experience, Mrs. Sanchez has been able to effectively utilize her experience coupled with her knowledge of Accounting, Auditing, Purchasing, Investments, Risk Management, Insurance, Maintenance, Property Tax Collections, Warehouse, and Inventory to achieve successful and well managed public school Business Offices. Her construction administration responsibilities include negotiating all A/E contracts, reviewing all change order requests, maintaining project budgets, bidding projects, reviewing and analyzing construction documentation, ensuring accuracy of applications for payment, authorizing payments to contractors, maintaining project record keeping, and preparing monthly construction reports. Mrs. Sanchez' construction administration experience encompasses public education building structures. Project Management budgets varied between \$0.7Million and \$39Million.

Mrs. Sanchez is fluent in English/Spanish.

EXPERIENCE

Public School Districts – Bond Construction

- Donna Independent School District – 6 years
- Valley View Independent School District – 11 years – \$14 Million
- Mercedes Independent School District – 2 years - \$10 Million

Charter School Districts

- IDEA Public Schools – 2 years - \$39 Million
- South Texas Educational Technologies Inc. – 1 year - \$2.5 Million

Other Entities Experience

- National Medical Care – 2 years
- Region One Education Service Center
- Gibson Fletcher & Dietz CPA Firm

Combined Construction Project Administration and Facilities Programming for over \$65.5 million dollars of new and remodeled construction projects. I was responsible for managing bond construction monies. I exercised centralized authority and control over all project management funds. Duties also included processing payments for contracts, scheduling construction update meetings, reviewing proposed change orders, and coordinated all close-out operations.

Project Role:

Financial Audit Review

Education:

- BBA – Accounting

U. T. at Pan American, 1986

Registered Tax Assessor/Collector, 1994

Registrations/Certifications:

- Life Insurance License, 2004

Professional Affiliations:

VASBO- Valley Association of School Business Officials

TAAO- Texas Association of Assessing Officers

Texas Association of School Administrators

Texas Charter School Association

Community Service:

Valley Association of School Business Officials; President 2004

McAllen Jaycees, 1994

Years of Experience:

+22

Office:

Weslaco, Texas



Staffing Levels and Responsibilities

Mr. Alex Palacios – Construction Manager / Technical Support – As a Project Manager, Mr. Palacios has extensive experience in reviewing construction management methods on behalf of the owner. Mr. Palacios' primary focus would include, but not be limited to determine if the Owner's overall objectives were met and audit the Construction Management policies utilized to manage to the desired outcome. The analysis will provide an Audit of the overall master Project Scope Schedule including the phasing, sequencing and packaging of design, consulting, equipment or construction contracts to determine if the work met the capacity of the design and construction performance as well as an audit of the overall Project Scope Budget including both soft and hard costs. The analysis will evaluate Procurement techniques and forms of contract agreements that were utilized for the delivery of the Project Scope and its integration of Construction Manager services with other related services including design services, FF&E procurement and installation, operations & maintenance, technology design and installation, etc.

Ms. Donna Rodriguez – Construction Manager / Document Controls – As a Project Document Controls Specialist, Ms. Rodriguez has worked to establish and implement a Construction Manager information and control system for expediting and processing requests for information, shop drawings, material, equipment, and sample submittals. Her primary focus would include but not be limited to auditing contract adjustments, change orders, payment requests and the maintenance of logs. Ms. Rodriguez will develop and implement an effective system to assist owner in the identification of these costs. In developing and implementing this system, Prodigy Ms. Rodriguez will analyze budget information on related soft and hard costs including design costs, construction costs and other related costs, identify adjustments and against Prodigy CM Construction Manager's computerized cost reporting system. Cost reports will analyze budget adjustments made after approval of the initial Conceptual "Project Scope" Budget which were and were not approved by the Owner. Ms. Rodriguez will record documentation of such changes and related funds.

Mr. Mario Rodriguez – In house Legal Counsel / Construction Manager – Mr. Rodriguez, as a licensed attorney focuses on the legal review of construction documentation, contract documents and associated general conditions, special conditions and other related documents utilized to achieve the "Project Scope". Mr. Rodriguez emphasis on the Texas Southmost College District projects will be to identify the Design Consultant / General Contractor / Construction Manager contractual language to determine their effect on the overall project results. Mr. Rodriguez will review Design Consultant applications for payment and/or claims for additional services and provide an analysis of effect to the Owner. Mr. Rodriguez will determine if all records, certificates, guarantees, warranties and releases have been received.

Ms. Nancy Sanchez – Accountant / Auditor – Ms. Sanchez has extensive experience conducting financial audits of school construction projects. Ms. Sanchez will analyze all funding on the referenced projects, including but not limited to an analysis of the Design Consultant's submittal and process payment applications to the Owner as well as the payment process for compliance with the contract documents. Ms. Sanchez will issue financial status reports and analysis of costs of completion, change order summary reports and potential claims analysis.

Representative Projects

Project Reference

Hidalgo County Sheriff's Sub Station



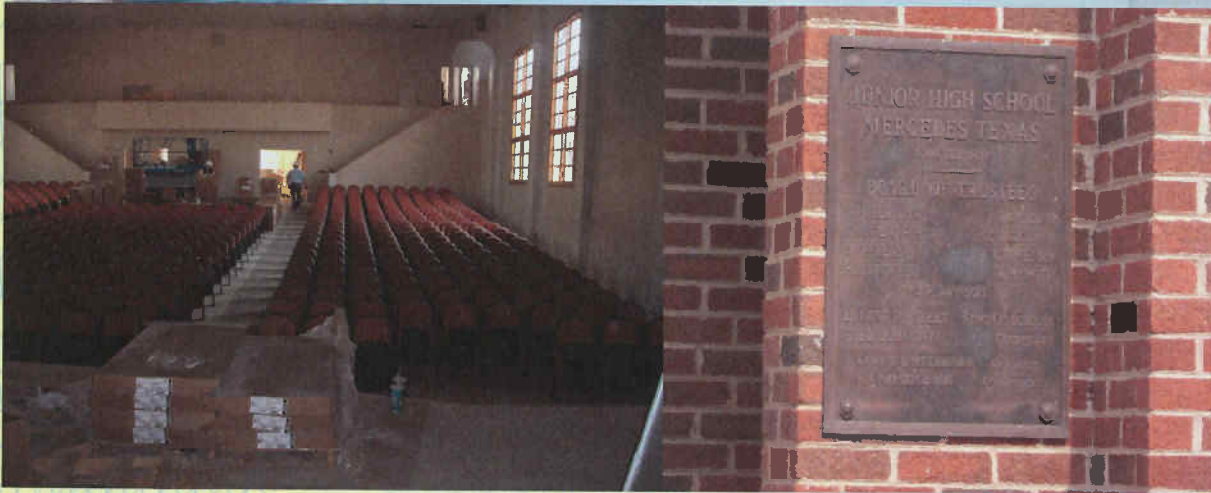
Prodigy Construction Management L.L.C. has been designated the number one ranked firm to provide Construction Management Services to the County of Hidalgo. Prodigy CM has been assigned the responsibility of managing the project team of architects, engineers, and other specialty consultants for the new Sheriff's Substation to be located in Weslaco Texas. Prodigy CM has begun its collaboration with the project team design analysis as per the requirements of the Texas Commission of Jail Standards and evaluation of alternatives as required to complete the project within budget and on schedule.

In the project management role, Prodigy CM will manage the owner's design consultants, prime contractor(s), specialty vendors, and provide the owner with a single, comprehensive status of all construction contracts related to the project. Our experience in managing subcontractors in all trades serves to support our understanding from the perspective of the contractor when overseeing the development of the final design documents and managing contractors during the construction phase. As part of our services, we provide support for owners in the areas of cost estimating, constructibility reviews, scheduling, and claims consulting, if necessary.

Project Reference

Mercedes ISD Graham Auditorium Renovation and Restoration

Mercedes, TX

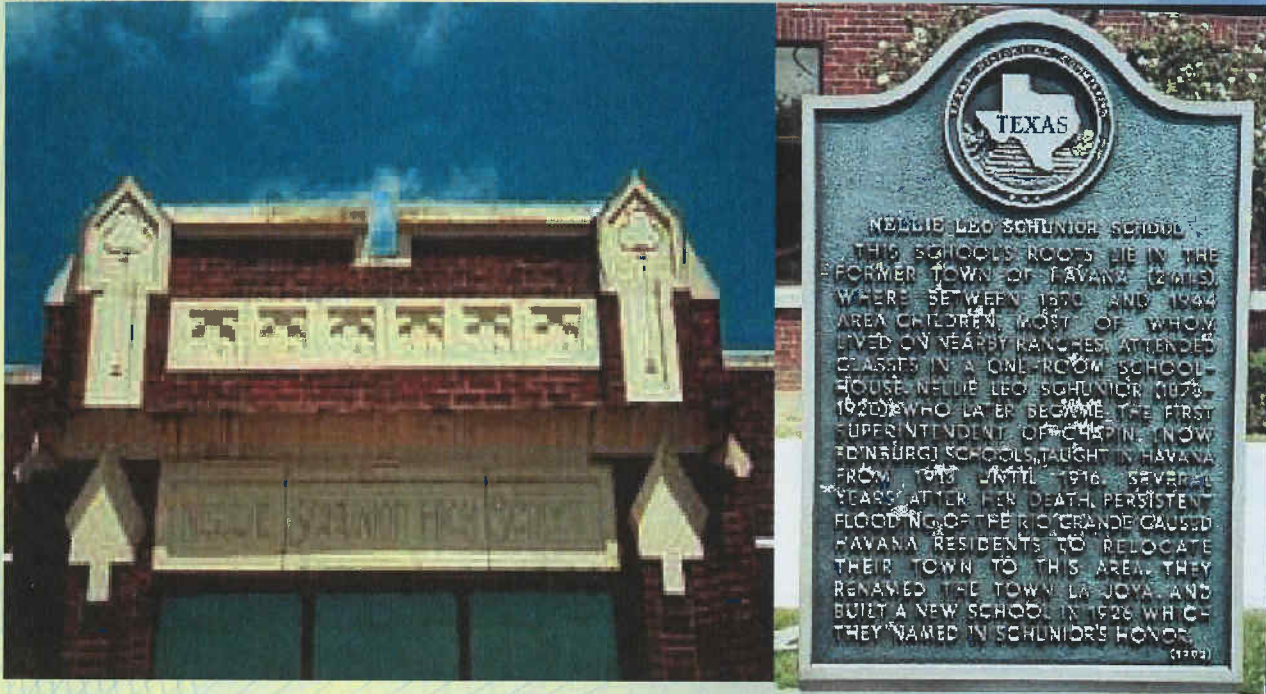


The Mercedes ISD Auditorium renovation and restoration project is currently under construction. This unique and one-story auditorium building was originally built in the 1926. As the construction management team for the Mercedes School District, Prodigy Construction Management's duties include but are not limited to the coordination of all local, state and federal codes. Review and evaluate all pay applications pertaining to both architect and general contractor and third party consultants. Manage the owner's construction budget of \$1,800,000.00 and approximately 9,000Sq Ft. Our responsibility is to preserve and maintain its original 570 seating auditorium. Our coordination project management efforts included two new dressing rooms, the supervision of the installation of all of the interior of the main stage and lighting, mechanical air-conditioning systems, electrical systems, audio system, and new curtain control operators. Prodigy CM conducts bi-weekly job site construction meeting to evaluate the general and subcontractor work performance. Substantial and final of O&M manuals to the owner will be coordinated with Prodigy CM final evaluation of close-out documents.

Project Reference

La Joya ISD Nellie Schunior Auditorium Restoration and Renovation

La Joya, TX



Nellie Schunior Renovation-Phase II includes the restoration of the first and second floor of the original 1927 building. The new and remodeling construction site will include new meeting rooms, offices, auditorium, lounge and restrooms. Prodigy CM will coordinate with the consultants that all local, state, and federal codes are in compliance. Additionally, we will manage and oversee the lucrative landscape which will include decorative water fountain, two new ponds and brick paved sidewalks. Prodigy Construction Management will oversee an estimated 15,000sq. ft of renovation and new construction with an estimated \$5.8 million construction budget. Prodigy CM will verify and oversee the architect/ engineers/ and general contractor's pay applications for payment reviews with the owner. PCM will conduct weekly job construction site meeting to evaluate the general and subcontractor performance on the site. Substantial and final of O&M manuals to the owner will be coordinated with Prodigy CM final evaluation of close-out documents.

References

REFERENCES

Hon. Mr. Joseph Palacios

County Commissioner, Precinct 4
Hidalgo County
1051 N. Doolittle Rd.
Edinburg, TX 78542
Ph: (956) 383-3112

Dr. Dan Trevino, Superintendent

Mercedes Independent School District
206 East 6th Street
Mercedes, Texas 78570
(956) 454-2640

Mr. Arnold Canche

Chief Financial Officer
Weslaco Independent School District
312 West 5th Street
Weslaco, Texas 78596
(956) 969-6585

Project Execution

PROJECT EXECUTION

EXECUTIVE SUMMARY

The overall objective of the PRODIGY Construction Management Audit Program is to determine the degree of financial protection which was afforded to our clients, by executing the following six point audit:

- * **LEGAL REVIEW – Legal contract review of all Architectural and General Contractor contracts.**
- * **PRECONSTRUCTION SERVICES – Project Management Implementation Plan Review.**
- * **PRE-DESIGN AND DESIGN PHASE SERVICES – Audit design phase work.**
- * **PROCUREMENT PHASE SERVICES – Audit procurement with TSC.**
- * **CONSTRUCTION PHASE SERVICES – Review and Analyze all construction activities.**
- * **CLOSE OUT PHASE SERVICES – Audit all close out documentation.**

LEGAL REVIEW

PRODIGY Construction Management L.L.C. maintains in-house legal counsel which shall provide detailed legal review of the AIA contract, General Contractor contract, Bids and Specifications. The legal review is intended to inform the owner of the allocation of control of contingencies, allowances, betterments, change orders, multipliers, liquidated damages, consultant fees, printing, closing documentation, ownership of intellectual property, establish if fees were based on actual construction costs, warranty protection, code compliance and applicable field application of contractual terms.

PRECONSTRUCTION SERVICES

PRODIGY Construction Management L.L.C. shall provide auditing services that relate to the organization and development of the project prior to the start of construction including the following:

Plan Implementation: PRODIGY Construction Management L.L.C. will review the comprehensive Project Management Implementation Plan. The Implementation Plan should include the

- *Identification of the TSC's overall objectives
- *Policies necessary to manage to the desired outcome
- *Overall Master Program Schedule including the phasing, sequencing and packaging of design, consulting, equipment or construction contracts to determine if the work met the capacity of the design and construction community.
- *Overall Program Budget including both soft and hard costs.
- *Procurement techniques and forms of contract agreement that were utilized for the delivery of the

Program. *Program Organization Chart including integration of Project Management services with other related services including design services, FF&E procurement and installation, operations & maintenance, technology design and installation, etc.

hard costs. *Procurement techniques and forms of contract agreement that can be utilized for the delivery of the Program. *Program Organization Chart including integration of Project Management services with other related services including design services, FF&E procurement and installation, operations & maintenance, technology design and installation, etc.

Management Procedures: PRODIGY Construction Management L.L.C. will review Project Management Procedures that

- *Established communication among the program participants.
- *Describe roles and responsibilities for all of the key players in the program participants.
- *Presented administrative procedures for pre-design, design, procurement, construction and post construction services.

Plan Review: Costs Savings and Contractibility: Provide plan review and constructability audit with an emphasis on ensuring that the project was completed within the established schedule and within the available budget. Provide a detailed analysis of all major project systems with an emphasis on cost savings.

Master Budgeting and Scheduling: Audit master budgeting and scheduling services including the project revenues and expenditures based upon traditional project milestones.

Information Controls: PRODIGY shall determine if a Project management information and control system for expediting and processing requests for information was established related to shop drawings, material, equipment, and sample submittals, contract adjustments; change orders, payment requests and the maintenance of logs.

Program Budgeting and Cost Management: PRODIGY project management will evaluate the Budget based on all sources of funding, and will review all program and project expenses. PRODIGY shall collect budget information for the Program related soft and hard costs including design costs, construction costs and other related costs; Any budget adjustments made after approval of the initial Conceptual Program Budget will be audited and PRODIGY shall record documentation of the change, and transfer of funds.

Master Program Schedule: PRODIGY shall review the overall "Master Program Schedule" showing duration and precedence for major design, bidding, construction and occupancy activities; establishing the overall duration of the Program and identifying those activities that were most critical.

Commissioning Services: *Review Contractor's building Commissioning and turnover plan. Review the results of the HVAC Test and Balance for compliance with construction contract requirements. *Audit all certification documentation and submittals proper agencies on behalf of TSC.

Agency Approvals: PRODIGY will review whether the Design Consultant in scheduled necessary plan reviews and obtained required permits and approvals.

PROCUREMENT PHASE SERVICES

PRODIGY Construction Management L.L.C. shall assist the TSC in the coordination of pre-bid services that continue through contract negotiations with responsive bidders including the following services:

Market Program/Project to the Bidders: PRODIGY will review the Program/projects to the bidders established by the Design Consultant. PRODIGY's efforts will be coordinated with the TSC's procurement practices.

Responses to Bidder Inquiries: Provide coordination of and, when possible, responses to bidder inquiries.

Procurement Management: Bidding & Awarding of Construction Contracts with Board Approval. PRODIGY will review the bidding and awarding process established by TSC and the Design Consultant for each contract.

Contractual Language Review: PRODIGY will advise TSC staff with language for inclusion within bid and contract documents for the services for approval and acceptance.

Change Order Review: PRODIGY will review Design Consultant's bid summaries and make recommendations to TSC's Evaluation Committee. Project Management will review the contract of each successful bidder. Project Management will review appropriate contract terms and conditions such as contractor mark-ups on change orders, contingencies, allowances, contractor general conditions and liquidated damages in the contract documents.

Responsive Bidder Negotiation: PRODIGY will review the TSC negotiation of contract agreements between TSC and the responsive and responsible bidders.

NOA's and NTP's: Prodigy will review and Audit each Issue Notices of Award (NOA) and Notices to Proceed (NTP) on behalf of TSC.

CONSTRUCTION PHASE SERVICES

PRODIGY Construction Management L.L.C. shall review documentation of all construction field activities, coordination of flow of information between all entities, and evaluate the following:

Agency Interface

Evaluate Monthly Billing Procedures

Pre-Construction Conference

Review Project Record Documents

Review Document Control

Change Order Review Procedures

Contractor Claims: Evaluate and mitigate all claims for additional cost or time due to any alleged cause.

Insurance Certificates: Monitor Prime Contractor insurance certificates for coverages, endorsements, limits, and expiration dates.

Coordinate Requests of Information: PRODIGY will evaluate requests for clarification of contract documents from the Contractor(s) with the design Consultant. Project Management will review status of requests in a regular or special progress meeting in an effort to monitor timely responses from the Design Consultant.

Audit Change Order System and Procedure: Determine when changes in the work became necessary due to request of TSC, request of the Contractor, or design document issue, Prodigy review the Design Consultants efforts to coordinate the preparation of TSC approved change order documents, log the proposed change in the control log and transmit to the Contractor for response.

Processing of Contractor's Shop Drawings & Submittals: PRODIGY will review schedules prepared by the Contractor for required submittals of shop drawings and samples for approval by Architect, as well as other members of the design Consultant and TSC.

CLOSE OUT PHASE SERVICES

PRODIGY Construction Management L.L.C. will evaluate substantial completion, establish punch list review, ensure that close-out documents are finalized and ensure that warranty work is timely completed. Such goals are attained applying the following:

Determine Final Completion of the Project: PRODIGY will determine, in conjunction with the Design Consultant and TSC, final completion of the project. In the event any of the items listed above have not been submitted, PRODIGY will assist TSC in obtaining completed items from the appropriate parties. PRODIGY will monitor the final process for compliance with contract documents.

Operations & Maintenance Manuals: PRODIGY will work with TSC to ensure that the Contractor's delivery of operations manuals and warranties were provided to TSC in a timely manner.

Plan for Correction of Defective Items: PRODIGY will assist TSC to develop a plan to facilitate the correction of defective items that require repair or replacement.

Transfer of Final Record Set of Documents: PRODIGY will monitor Contractor's preparation of record drawings and specifications and coordinate and expedite the transmittal of the record documents to TSC.

Final Lien Releases: Verify requirements in the Construction Documents, Applicable Codes, Rules and Regulations.

PRODIGY CONSTRUCTION MANAGEMENT L.L.C. understands that the successful planning, construction, location, and use of buildings is determined, in part, by the successful implementation of the applicable Codes, Rules and Regulations. These Codes, Rules and Regulations are instituted by a variety of laws enacted by local, state, and federal agencies and governments. These statutes and ordinances include zoning, building, plumbing, electrical, and mechanical codes that are intended to protect the health, safety, and general welfare of the public. These codes incorporate many recognized construction industry standards but they do not necessarily contain criteria that ensure efficient, convenient, or adequately equipped buildings.

RODIGY CONSTRUCTION MANAGEMENT L.L.C. is committed to the strict adherence of all departmental policies of the TSC related to the construction and renovation of its facilities, buildings, roadwork and infrastructure. PRODIGY CM maintains familiarity with the codifications which may be applicable to the project at hand including, but not limited to:

- *All departmental policies of the TSC
- *Occupational Safety and Health Code (OSHA)
- *International Building Code 2009 (IBC 2009)
- *International Building Code 2006 (IBC 2006) (when applicable)
- *International Building Code 2003 (IBC 2003) (when applicable)
- *Texas Department of Health Services Code (TDHC)
- *International Fire Code (IFC)
- *Texas Commission on Environmental Quality (TECQ), formerly known as the TNRCC
- *Americans with a Disability Act (ADA)
- *ADA Accessibility Guidelines for Buildings and Facilities (ADAAG)
- *National Electrical Code (NEC)

- *Texas Accessibility Standards (TAS)
- *International Code Counsel (ICC Codes)
- * International Energy Conservation Code (IECC)
- * American Society of Heating Refrigerating and Air-conditioning Engineers (ASHRAE)
- * American Society of Mechanical Engineers (ASME)
- *American National Standards Institute (ANSI)
- *Texas Boiler Safety Law
- *Municipal / Local / State / Federal codes.
- *TxDot 2004 Specifications Guide and other necessary documentation.

Supplementary Information

Comparative Project Savings

Project	Bidders	Contract Amount	Project Cost With C.O.	Final Payment/ Paid to Date
1 Central Middle School Phase I	6	\$6,900,006.00	\$6,815,006.00	\$6,815,006.00
2 Central Middle School Phase II	4	\$9,367,821.00	\$9,352,184.85	\$9,022,544.51
3 Central Middle School Fine Arts	5	\$7,022,975.00	\$7,022,975.00	\$6,986,567.53
4 Roosevelt Kitchen Renovations	4	\$999,850.00	\$1,010,656.00	\$945,223.20
5 Roosevelt Additions and Renovations	4	\$4,617,000.00	\$4,778,707.00	\$4,739,932.00
6 Roosevelt Parking Lot Improvement		\$64,343.55	\$64,343.55	\$64,343.55
7 Mary Hoge Gym Floor Replacement	3	\$190,943.00	\$190,943.00	\$164,828.70
8 WEHS & WHS Weight Rooms	10	\$973,000.00	\$973,000.00	\$900,022.55
9 Mile 10N Lift Station	5	\$444,406.00	\$444,406.00	\$394,790.40
10 Bobby Lackey Gym Floor		\$86,400.00	\$86,400.00	\$86,400.00
11 Cafeteria Grease Traps	4	\$195,000.00	\$195,000.00	\$185,000.00
12 Horton AEP Parking Lot	4	\$23,950.00	\$23,950.00	\$23,950.00
13 Cuellar Waterline Replacement		\$236,145.00	\$263,288.00	\$263,288.00
14 Cuellar Roofing Project	4	\$195,125.00	\$194,562.00	\$194,562.00
15 Cuellar Cafeteria Paving	3	\$15,876.00	\$15,876.00	\$15,876.00
16 Cuellar Additions and Renovations	10	\$10,450,000.00	\$10,497,308.00	\$10,442,464.80
17 Parking Lot & Drainage At Bobby Lackey Stadium	7	\$244,817.00	\$234,842.25	\$234,842.25
18 Bobby Lackey Stadium/Press Box Additions and Renovations	4	\$4,671,192.00	\$7,582,583.99	\$7,582,583.99
19 Parking Lot Bobby Lackey Stadium-Phase II	6	\$272,453.75	\$272,453.75	\$261,453.75
20 Science Room Additions				\$9,705,082.00
High School	3	\$2,264,217.00	\$2,264,217.00	
East High School	3	\$2,146,000.00	\$2,146,000.00	\$2,075,451.70
Mary Hoge Middle School	2	\$1,632,000.00	\$1,548,369.65	\$2,044,861.00
B. Garza Middle School	4	\$1,580,000.00	\$1,580,000.00	\$1,548,369.65
21 Mario Ybarra Elementary	6	\$9,584,000.00	\$9,705,082.00	\$1,529,603.00
22 New Elementary Water Line Off Site Improvements	14	\$34,444.44	\$41,044.40	\$41,044.44
23 Fire Protection and Sewer Line Mile 10	6	\$444,406.00	\$422,633.00	\$422,633.00
24 Liner Detention Ditch	9	\$9,902.35	\$9,902.35	\$9,902.55
25 New Aquatic Center	5	\$6,021,600.00	\$5,863,505.00	\$5,863,505.00
26 Mary Hoge Gym Reroofing	5	\$190,940.00	\$190,940.00	\$164,828.70
27 Sam Houston Elementary	8	\$9,159,000.00	\$9,159,000.00	\$363,532.63
28 Cleckler Parking Improvement	5	\$211,692.50	\$211,692.50	\$184,412.25
29 Rico Parking Improvement	13	\$148,849.49	\$148,890.49	\$45,826.02
30 Parking at Michigan Ave. & 6th	TBA	Est.\$300,000.00		
31 WEHS Field House	TBA	Est.\$1,650,000.00		
32 WHS New Band Hall	TBA	Est.\$3,500,000.00		
		\$85,848,355.08	\$83,309,761.78	\$73,322,731.17

Project Reference

Texas State Capitol – Extension and Renovations of the Exterior

Austin, Texas



The Texas Capitol is an extraordinary example of late 19th century public architecture and is widely recognized as one of the nation's most distinguished state capitol. In 1990, work began on the Capitol Extension, an underground building designed to provide the Capitol with much needed additional space without sacrificing its historical integrity. In 1991, work began on the exterior restoration of the Capitol. Scaffolding was erected over the entire building and repairs were made to the metal dome and roof, granite, mortar and architectural detailing. This work was completed in 1994. In 1993, the \$75 million underground Capitol Extension was completed to the north, doubling the square footage available to Capitol occupants and providing much improved functionality.

Ms. Donna Rodriguez' responsibility was to manage the project coordination specifically pertaining to the *document control*, *project record-keeping* and *construction administration* on the Extension and Exterior of the Capitol and the General Land Office Building in Austin, Texas.

Start Date: February 1, 1990

Completion: December 1, 1994

sq. ft.: 667,000

Cost: \$75 million

Reference: David Stauch-Construction Manager 512-472-4600

Project Reference

Weslaco ISD Performing Arts Center

Weslaco, Tx



The Weslaco ISD Fine Arts Facility was recently remodeled in 2010. This unique and one of a kind theater arts building was originally built in the 1950's. The stout wooden lamella roof structure was used as the first ever Weslaco School District High School Auditorium. As the Project Construction Administrator for the district, the building underwent a 31,856 Sq. Ft renovation at a cost of \$7,022,925.00. Our responsibility was to preserve and maintain its original 1,200 seating auditorium. Our duties included the coordination of all local, state and federal codes. Review and evaluate all pay applications pertaining to both architect and general contractor and third party consultants. Coordination project management efforts included the supervision of the installation of all of the interior electronically main stage lighting, movie theater automatic roll-down screen TV, theatrical lighting and controls, mechanical chilled water system, electrical systems, audio system, and 12 motorized curtain control operators. At the owner's request, we also assured the protection of the exterior façade of a beautiful courtyard that housed preserving a 100-year old oak tree.

Project Reference

US Highway 281 and Expressway 83 Interchange

Pharr, Texas



The US 281/US 83 interchange project was intended to improve mobility along the south most section of US 281. The project had three main goals (1) To connect US 83 East - West Traffic with North Bound US 281 Traffic, (2) To convert current access on US 281 into one-way frontage roads, and (3) To improve traffic flow and safety operations at this interchange. The project included the construction of four "one lane" ramps, two North, one East and one West that would overpass the intersection of US 281 Frontage and US 83 Frontage. These ramps would diverge from the existing lanes, overpass the frontage interchange and then merge with the existing lanes once beyond the intersection. The two directions of traffic on the southbound US 281 overpass were separated by a traffic barrier and necessary shoulders were constructed. The grade separation was constructed between the existing lanes of traffic leaving the existing at-grade intersection in place.

Ms. Donna Rodriguez' responsibilities were to manage the project coordination specifically pertaining to the *document control, project record-keeping* and *construction administration* as well as technical experience in compiling submittals, change orders and testing data.

Start Date: June 1, 1992

Completion: June 1994

Cost: \$24 million

Reference: Mario Jorge, P.E. Pharr District Engineer 956-701-6100

Project Reference

US Border Patrol - Detention Station

Harlingen, Texas



The Facility is a 53, 075 sq. ft of office building and processing center that was built in Harlingen, Texas. As the project engineer and project management for the technical aspects of the mechanical, electrical and plumbing (MEP) engineering design, sensitive safety and security clearances were held paramount while constructing the project. Unique features of the project included the project management of the following integrated buildings as they related to the MEP:

340 TONS OF CHILLER DESIGN•PARKING-TOTAL 464 SPACES ON SITE•320- FOOT ANTENNA TOWER•AIR-CONDITIONED DOG KENNEL(S)•VEHICLE MAINTENANCE BUILDING-EXHAUST SYSTEMS•CAR WASH- HIGH PRESSURE DESIGN FEATURES•CONCRETE HELICOPTER PAD WITH FAA ELECTRICAL LIGHTING AND CONTROLS•DETENTION CELLS FOR MEN, WOMEN AND CHILDREN.

Additional responsibilities included MEP- document controls, submittal review and verifications, installation according to plans and specifications, change order reviews, as-built drawings, coordination of all meetings, HVAC test & balance reports and furnish technical weekly construction progress reports.

*DUE TO GOVERNMENTAL FEDERAL GUIDELINES, ADDITIONAL SPECIFIC DETAILS OF THE PROJECT MAY NOT BE DISCLOSED WITHOUT WRITTEN CONSENT OF THE US FEDERAL GOVERNMENT.

Project Reference

Central Middle School New Construction – Phase I & II

Weslaco, Texas



The Central Middle School divided into Phase I and Phase II Projects were planned and constructed back to back due to the student classrooms, administrative and district wide curriculum needs. These projects were unique in nature but fast paced to be completed. Duties and responsibilities was the 100% construction administration of architect/contractor selections, method of construction, acquisition, contract negotiations, project coordination, coordinate and approve construction documents, printing, project budget, scheduling, change order reviews, develop project program, surveys, municipal code compliance, daily project inspections, weekly reports, contractor/sub-contractor meetings and close-out documents.

Start Date: February 2006 and November 2007

Completion: March 2009

Total combined sq. ft.: 180,000

Cost: Phase I- \$6.8million and Phase II - \$9.3million = Total 16.1 million

Reference: Mr. Arnold Canche; Chief Financial Officer- 956 - 969-6585

Project Reference

Dr. Armando Cuellar New Middle School

Weslaco, Texas



This project included the demolition of an existing campus and the construction of a new State of the Art facility. This new middle school has approximately 80,000 sq. ft. of student classroom space, athletics, kitchen, cafeteria, and new library area. It accommodates grade levels between 6th thru 8th grade students. Duties and responsibilities included 100% construction administration and management of architect/contractor selections, method of construction, acquisition, contract negotiations, project coordination, coordinate and approve construction documents, printing, project budget, scheduling, change order reviews, develop project program, surveys, municipal code compliance, daily project inspections, weekly reports, contractor/ sub-contractor meetings and close-out documents.

Start Date: December 2008

Completion: January 2010

Total sq. ft.: 80,000

Cost: \$10.4 Million

Reference: Mr. Arnold Canche; Chief Financial Officer- 956 - 969-6585

Project Reference

Ben Bolt – Palito Blanco Independent School District

Ben Bolt, Texas



This new construction project consists of a new library, physical education building and a new fine arts building. In accordance with grant requirements, the existing science classrooms were expanded to comply with TEA requirements. Ben Bolt ISD secured our services to provide the following: contract negotiations, contract reviews, project time lines, budget allocations, AIA contract reviews, develop AIA consultant criteria, approve construction documents, establish project budget, scheduling, and county, state and municipal local code compliance.

Start Date:	December 2010
Completion:	November 2011
Estimated Sq.FT.:	25,000
Cost:	\$3.0 Million
Reference:	Dr. Grace Everett; Superintendent



BEN BOLT-PALITO BLANCO
INDEPENDENT SCHOOL DISTRICT

Dr. Grace Everett, Superintendent

**P.O. Box 547
172 Badger Lane
Ben Bolt, Texas 78342
(361) 664-9904
Fax (361) 668-0446**

To: Mr. Alex Palacios; Prodigy Construction Management LLC
From: Dr. Grace Everett, Superintendent of Schools
Re: Letter of Recommendation
Date: September 8, 2010

I wanted to thank you very much for agreeing to work with me in organizing and implementing a plan to follow to get the process going for building a physical fitness and fine arts center and a middle school library for Ben Bolt-Palito Blanco I.S.D. As you well know, this is my first tour of superintendent duty. I have learned much the last three years and feel confident managing the district and working on all of the areas that pertain to student success, but I was truly lacking in the area of bonds, architectural contracts, and procedures for getting a good job done when building facilities. The information you provided me has helped me tremendously in dealing with the architectural firm and the board in areas having to do with the project. The contract with Milnet Architectural Services was signed at the meeting last night and all of your work, and the work we did together analyzing and negotiating the contract, really paid off for the school district and the community. I could not have done all of this without your expertise and your commitment to our school district.

If you ever need a letter of recommendation, just let me know. I would state to anyone considering hiring you that you are organized, efficient, extremely competent, and always present yourself in a very professional manner to school personnel as well as others. You, as is obvious, are also committed to completing each job successfully and you take pride in your accomplishments. I would feel very confident recommending you to any school district or firm.

Thank you, again, for all your hard work and dedication to our district. I wish you the best of luck in the future. Keep up the great work.

Sincerely,

Dr. Grace Everett

Spire Consulting Group

PREPARED FOR
TEXAS SOUTHMOST COLLEGE DISTRICT

Construction Management Services

Response to Request for Qualifications

CONSTRUCTION MANAGEMENT CONSULTING SERVICES
(RFQ No. TSC RFQ11-14)



Brownsville, Texas

May 25, 2011



Spire Consulting Group, LLC

Norwood Tower | 114 West 7th Street, Suite 600 | Austin, Texas 78701 | Tel: 512.637.0845 | Fax: 512.637.0846
www.SpireConsultingGroup.com



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Part One – Statement of Interest



2.1 Statement of Interest

May 25, 2011

Patricia G. Sanchez
Senior Buyer
Texas Southmost College District
Gorgas Tower
80 Fort Brown
Brownsville, Texas 78520

RE: Statement of Interest – Request for Qualifications for Construction Management Consulting Services (RFQ No.: TSC RFQ11-14)

Ms. Sanchez,

Spire Consulting Group wishes to express its interest in pursuing a Construction Management Consulting Services agreement with the Texas Southmost College District. Spire Consulting Group exists to solve and simplify complex problems to help our clients build things with peace of mind. A multi-disciplined construction management and engineering consulting firm, Spire serves a variety of industries and project types worldwide. Our construction management consultants possess the engineering and construction experience to provide real-world, cost-effective solutions to the challenges faced by our owners and architects throughout the design and construction process.

Based on our review of the Construction Management Consulting Services scope of work, we are confident Spire's team of programming and project management professionals will be a valuable asset to your projects. We are capable of performing all of the services listed in the scope of work.

Should you have questions, please do not hesitate to contact me at my office (512) 637-0845. We appreciate your consideration and look forward to discussing this opportunity with you further.

Best regards,

A handwritten signature in blue ink, appearing to read "Anthony Gonzales".

Anthony Gonzales
Principal



Statement of Qualifications

Spire Consulting Group is a certified Minority-Owned Business Enterprise (MBE) and Historically Underutilized Business (HUB) program and construction management firm providing owners, contractors, architects, attorneys, sureties and other construction professionals the support they need to deliver their projects on time and within budget. With offices throughout the country and a broad range of construction expertise Spire is equipped to develop and execute innovative solutions for the most complex problems.

Spire's engineering and construction consultants have extensive, hands-on experience supporting a multitude of projects worldwide. Spire's consultants provide services based on key principles including realistic planning, intelligent execution, and continuous risk mitigation to ensure the project's success. Our program and project management consulting areas of expertise include:

Construction Consulting Services

- Contract Review & Negotiations
- Change Order Analysis
- Construction Design Reviews
- Budget Development
- Bid Phase Management
- Cost Estimating & Evaluations
- Construction CPM Scheduling
- Productivity Analysis
- Value Engineering
- Earned Value Management
- Project Control Systems
- Process & Procedure Assessments
- Dispute Avoidance & Resolution
- Inspection & Quality Assurance
- Construction & Project Training
- Claims Identification
- Risk Assessment & Evaluation
- Standards of Care
- Schedule Delay Analysis
- Claim Preparation & Presentation
- Litigation & Arbitration Support
- Project Due Diligence

Representative Project Experience

Spire serves a wide range of clients across several industries and has extensive experience serving owners and architects on a variety of projects including, but not limited to, academic facilities, health care facilities, performance centers and athletic facilities. Spire's team is comprised of experienced consultants having worked on the following representative sample of related projects:

- UT M.D. Anderson Basic Research and Education Building
- Disney Concert Hall
- Frank Erwin Center Renovation
- Texas A&M Health Science Center
- Texas State University Stadium Renovation & Expansion
- The New Reid Hospital
- Ponderosa Residential Development Project
- Broward County Libraries

Texas A&M Health Science Center



Project Value: \$128 Million
College Station, Texas

The New Reid Hospital



Project Value: \$300 Million
Richmond, Indiana

Contract, Change Order & Claims Management Project



SANTOS CMI
Quito, Ecuador



Unique Qualifications

The Spire team is truly excited about the opportunity to participate in such an important and valuable process. Our team is the right choice for the University of Houston's Project Delivery Process procedure for a number of reasons, including:

1. **Project Controls & Process Development is our Primary Business** – As construction engineering consultants, we focus on effectively developing and managing control systems and processes for projects within any stage of its lifecycle. We are not a general contractor, architecture or engineering firm so we do not run the risk of potential conflicts of interest or dilution of skill sets. Our single business line allows us to focus solely on doing one thing well: providing professional construction engineering consulting services to mitigate risk and prevent costly litigation.

2. **The Right Leadership Team** – While Spire's experience is of critical importance, the success of the project team will largely depend on the individuals that will support the project on a day-to-day basis. Our Business Process Engineering team is led by Anthony Gonzales (Principal), John Wolf (Vice President) and Dana Fetrow (Managing Consultant). **Mr. Gonzales** has numerous years of experience providing effective construction processes and project control systems for contractors, engineers, owners, developers and financial institutions. He is currently a Lecturer at The University of Texas at Austin, Civil, Architectural and Environmental Engineering Department and has been recognized by Engineering News Record (ENR) Magazine as a "Top 20 Under 40 A/E/C Professional" and a leader within the industry. **Mr. Wolf** has over 20 years of construction and program controls experience involving projects up to \$500 million. He has over 15 years of experience analyzing client control systems, processes, and procedures and implementing effective solutions. **Mr. Fetrow** has a broad background in construction management and has actively managed Business Process Engineering teams for large and varied clients in government, retail, and commercial industry sectors, including Fortune 500 companies. He is an accomplished speaker at seminars and conferences around the world.



3. **We Know the Construction Process for Educational Facilities** – Our staff includes experienced control systems analysts, accountants, auditors, program managers, cost estimators, project schedulers, MEP specialists, and project superintendents whom have worked in and around higher education facilities for a combined 100+ years. We have the knowledge and experience necessary to analyze and document existing practices, develop solutions and implement those solutions with a focus on the customer. Our team of analysts have audited and analyzed numerous educational facilities in Texas, California, Nevada, Washington, Colorado, Maryland and New York. This includes other university systems in Texas such as Texas State University, The University of Texas and Texas A&M University.

4. **Reliable MBE Team with Experience on “Mega Projects”** – Spire is a certified Minority Business Enterprise (“MBE”), and a Historically Underutilized Business (“HUB”). Our portfolio of expertise includes a variety of large and complex projects, including projects specific to the Project Delivery Process. Having advised clients on over \$30 Billion in construction, Spire's engineering and construction consultants have extensive, hands-on experience supporting a multitude of projects worldwide. With the experience gained from these assignments, we recognize the importance of quickly identifying process issues, developing solutions and implementing them as quickly as possible. Spire and its consultants have been involved in projects such as the City of Los Angeles/Expo Construction Rail Authority process audit, NASA Campus Risk Assessment, Advanced Micro Devices (AMD) Campus Development, Texas A&M Health Science Center value engineering and cost evaluation process, Santos CMI contract, change order and claims management processes, and the New Reid Hospital construction and project closeout processes.

5. **Preventing Costly Claims Disputes & Litigation** – Projects can suffer from lingering claim disputes when mismanaged or when the wrong processes are in place. These are preventable when procedures, polices and processes are set correctly. Because Spire is one of the leading construction claims consultants in the world, our team leaders intuitively know how to develop and oversee the right processes to navigate around expensive claim situations. In its claims consulting practice, Spire's consultants have helped to resolve more than 500 claims and dispute related matters. This experience is a key reason why owners turn to Spire to develop and manage their most critical construction programs.



6. **Strategic Partnership** – Spire Consulting Group can provide all services described within the Scope of Work with our personnel. Should additional services/resources be required, Spire has a contractual relationship with Critigen (formerly CH2M Hill controls group) to provide technical and personnel support as needed. Critigen is an international construction management group specializing in project controls related work. They have thousands of employees around the world and a huge wealth of project experience.

Part Two – Prime Firm



2.2 Prime Firm

Spire's executive team is comprised of exceptional individuals who possess decades of experience within the construction, engineering and architecture fields. Their diverse backgrounds allow Spire to offer its clients a unique perspective on the issues facing construction management professionals in this rapidly evolving industry. Below is a brief overview of Spire's executive team and their roles in the company.

Anthony Gonzales – Principal

As principal of Spire Consulting Group, Mr. Gonzales is involved in all aspects of the company. He monitors and oversees projects as well as manages the day to day operations of the company. His responsibilities include managing and performing proactive construction and program management consulting services, and analyzing, developing and preparing project control and risk monitoring systems. Mr. Gonzales assists clients by evaluating project planning, costs, schedules, quality, construction-related claims, and quantification of damages involving schedule delay and acceleration, productivity loss, late and/or excessive changes, deficient drawings and specifications, defects and differing site conditions.

John Wolf – Vice President

Mr. Wolf currently serves as the vice president of Spire Consulting Group. Mr. Wolf relies upon his knowledge and 20 years of experience within the construction industry to provide guidance and insight to assist Spire's team of consultants throughout the entire project. His responsibilities include providing project control implementation and/or best practices reviews, and performing proactive construction and program management services.

Keith Thatcher – Chief Financial Officer

Mr. Thatcher oversees and manages all financial activities for Spire. He also evaluates financial and construction dispute matters, bond claims, construction damages, project claims, project costing, construction accounting systems, business devastation claims, fraudulent transfers and financial reporting and disclosure for contractors.



Dana Fetrow – Managing Consultant

Dana Fetrow manages and performs proactive construction and program management consulting services for owners, contractors, and subcontractors. Mr. Fetrow prepares and evaluates project plans, costs and schedules to assist clients in mitigating risk associated with large construction projects. Mr. Fetrow's diverse engineering and consulting background includes construction cost and risk evaluation, schedule preparation and analysis, structural design and construction management. Mr. Fetrow's current duties also include the analysis, development, and preparation of claims for clients' positions in mediation, arbitration and litigation.

Spire operates under a horizontal management structure which fosters open communication and allows each executive team member to express their unique perspective. The graphic representation below clearly demonstrates the lines of authority and communication for the executive team members.





The following is a representative listing of our senior technical consultants' educational and professional accreditation and affiliations that make our firm a unique and valuable resource to clients facing complex commercial and technical challenges.

Representative Professional Education and Accreditation

- Doctor of Philosophy in Civil Engineering
- Master of Arts in Architecture
- Master of Science in Civil Engineering
- Master of Business Administration
- Bachelor of Arts in Architectural Engineering
- Bachelor of Science in Civil Engineering
- Bachelor of Science in Mechanical Engineering
- Bachelor of Business Administration

Representative Professional Affiliations

- Construction Management Association of America (CMAA)
- Association for the Advancement of Cost Engineering International (AACEI)
- Construction Industry Institute (CII)
- American Society of Civil Engineers (ASCE)
- Architectural Engineering Institute (AEI)
- National Society of Professional Engineers (NSPE)
- Project Management Institute (PMI)
- Construction Specifications Institute (CSI)
- National Institute for Standards and Technology (NIST)
- American Society of Heating, Refrigerating and Air Cooling Engineers (ASHRAE)
- Association of General Contractors (AGC)
- Associated Builders and Contractors (ABC)
- US Green Building Council (USGBC)
- American Bar Association Forum on the Construction Industry (ABA)

Part Three – Project Team

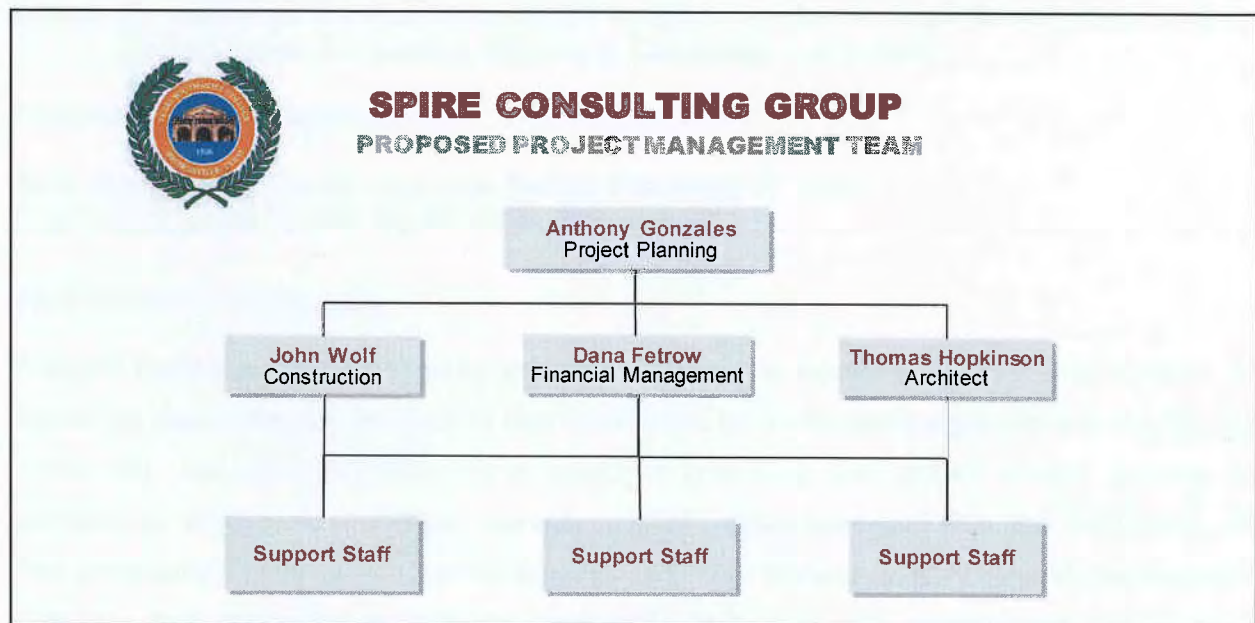


2.3 Project Team

The proposed project management team consists of a highly-skilled staff with decades of experience. Lines of authority are clearly illustrated in the following graphical representation of the project team. Each consultant was chosen for this project based on his/her past cost, scheduling and risk management experience and superior project performance. Each will play an integral role on this project in seeing it to completion. Project consultants and strategic teams have been combined on multiple projects to ensure the best possible team is assembled to meet the needs of each specific project.

Proposed Project Team

1. Anthony Gonzales - Principal
2. John Wolf – Vice President
3. Dana Fetrow – Managing Consultant
4. Thomas Hopkinson – Senior Consultant





ANTHONY J. GONZALES, MS

EDUCATION:

Master of Science in Civil Engineering
University of Texas at Austin
Department of Civil, Architectural and Environmental Engineering

Bachelor of Science in Architectural Engineering
University of Texas at Austin
Department of Civil, Architectural and Environmental Engineering

CURRENT / PAST PROFESSIONAL AFFILIATIONS:

Member – Association for the Advancement of Cost Engineering International (AACE)
(President Central Texas Chapter 2 Years)
Member – Construction Management Association of America (CMAA)
Member – Associated General Contractors (AGC)
Member – U.S. Green Building Council
Member – Catalyst 8 (Leadership Council)
Associate – American Bar Association (ABA) Forum on the Construction Industry (Division 8 –
International Contracting, Steering & Technology Committee)

HONORS AND ACHIEVEMENTS:

State Bar of Texas Construction Law Section Fellowship (2 Years)
Engineering News Record Top 20 under 40 Award

PROFESSIONAL EXPERIENCE:

Anthony Gonzales has successfully provided construction engineering consulting services for numerous clients on projects totaling over \$35 Billion. Mr. Gonzales's expertise is in developing, monitoring, and analyzing effective construction processes and project control systems for contractors, engineers, architects, owners, sureties, developers and financial institutions. He has provided proactive and forensic services involving process evaluation and development, planning, cost estimating, scheduling, productivity evaluation, risk analysis and management, construction claims analysis, quantification, and preparation for complex engineering and construction projects. In addition, he has participated and assisted in mediations, litigation, and arbitration proceedings and been recognized as an expert in his respective fields.



*Request for Qualifications
Construction Management Services*

PROJECT ROLE:

Mr. Gonzales will serve as the project manager for this contract. He will be responsible for administering all phases of the project from start to finish. This includes serving as the primary point of contact for the client, developing and managing Spire's internal project work plan, and creating and monitoring the project schedule and budget. In addition to managing the project, he will be responsible for reviewing the processes associated with the project planning and pre-construction phases which include the procurement solicitation process, contract negotiations, value engineering and schedule evaluations.

Mr. Gonzales has extensive experience evaluating processes and procedures during the project planning and pre-construction phases. Recently, he performed an evaluation of a major EPC firm's current processes and procedures in order to provide recommendations to help improve their contract, change order and claims management processes. In addition he provided cost, schedule and risk evaluations on a \$20 billion residential development project in Los Angeles, California to validate the general contractors' estimates and ensure timely delivery of the projects. The analysis included quantification and costing of materials and labor, and an explanation of discrepancies. He also performed detailed review of project documentation and performance on work completed and forecasted.

REPRESENTATIVE PROJECT EXPERIENCE:

Description	Location	Type
Battlefield Health and Trauma Center	San Antonio, TX	Government
Consolidated Troop Medical Clinic	Fort Riley, KS	Government
Buckley Visiting Quarters & Lodging Facility	Aurora, CO	Government/Hospitality
Basic Research & Education Building	Bastrop, TX	Healthcare
1999 McKinney Avenue Lofts	Dallas, TX	High Rise Commercial
7 Leasco Building Project	Austin, TX	High Rise Commercial
Bush International Airport	Houston, TX	Public Works
6 Sigma - Construction Claims Avoidance	Nashville, TN	Training Seminar
FedEx Phase II Campus	Collierville, TN	Commercial
Mack Energy Headquarters	Artesia, NM	Commercial
McCoy's Corporate Headquarters	San Marcos, TX	Commercial
Edcouch-Elsa Independent School District	Edcouch, TX	Educational
Fort Sam Houston USARC/OMS/ECS Facility	San Antonio, TX	Government
Jackson Madison County Hospital	Jackson, TN	Healthcare
Long Term Acute Care Center	Grapevine, TX	Healthcare



*Request for Qualifications
Construction Management Services*

REPRESENTATIVE PROJECT EXPERIENCE (continued):

Description	Location	Type
Houstonian Renovation Project	Houston, TX	High Rise Commercial
Denver Convention Center Hotel	Denver, CO	High Rise Hospitality
Hotel Indigo	San Antonio, TX	Hospitality
Kiowa Resort & Casino	Devol, OK	Hospitality
Dallas Fort Worth Airport Expansion	Dallas, TX	Public Works
George R. Brown Convention Center Expansion	Houston, TX	Public Works
Grimes County Law Enforcement Center	Grimes County, TX	Public Works
Guadalupe County Jail	Seguin, TX	Public Works
LaSalle County Jail	Encinal, TX	Public Works
Greenbriar Falls I-II Development Project	Greenbriar Falls, NJ	Residential
Heron Creek Development	Portland, Oregon	Residential
Horizon at Tamaron Ranch Development	Phoenix, AZ	Residential
Maluhia at Wailea Development	Wailea, Maui, HI	Residential
Marathon Development Project	Austin, TX	Residential
Managing International Construction Cost Seminar	Abu Dhabi, United Arab Emirates	Seminar
General Sports Arena	Houston, TX	Sports Facility
Peninsula Humane Society & SPCA	San Francisco, CA	Commercial
Public Mini Storage Facilities	United States	Commercial
Southwestern Bell Telephone Company	Houston, TX	Commercial
Thelma Buckingham et al, vs. Mohamed A. Al-Bataineh Assah Enterprises, Inc.	Houston, TX	Commercial
Timmers Chevrolet	Houston, TX	Commercial
Williams Brothers Construction	Austin, TX	Commercial
Pedernales Condominiums	Austin, TX	Commercial Mix
Pinecastle Development	Orlando, FL	Commercial Mix
West Campus Student Housing	Austin, TX	Commercial Mix
Western Union Building Project	New Orleans, LA	Commercial Mix
Somerset Independent School District	Somerset, TX	Educational
Parkland Hospital	Dallas, Texas	Healthcare
Smithville Laboratory Building IV	Smithville, TX	Healthcare
The New Reid Hospital	Richmond, IN	Healthcare
South Lamar Condominiums	Austin, TX	High Rise Commercial
San Antonio Convention Center Hotel	San Antonio, TX	High Rise Hospitality
W Hotel Project	Austin, TX	High Rise Hospitality
Royal Caribbean Labadee Resort	Labadee, Haiti	Hospitality
San Antonio Zoo	San Antonio, TX	Hospitality
Staybridge Suites	Austin, TX	Hospitality
Ponderosa Residential Development	Los Angeles, CA	Residential/Commercial Mix



JOHN C. WOLF

EDUCATION:

MBA, Accounting & Information Systems
The American University – Kogod School of Business

BSCE, Structural Engineering
Villanova University – College of Engineering

CURRENT / PAST PROFESSIONAL AFFILIATIONS:

Association for the Advancement of Cost Engineering International (AACE International)
Construction Financial Management Association of America (CFMAA)
Associated General Contractors (AGC)
American Society of Civil Engineers (ASCE)

PROFESSIONAL EXPERIENCE:

Mr. Wolf has over 20 years of experience within the construction, engineering and architecture fields. His expertise is in developing, monitoring, and analyzing effective construction processes and project control systems for contractors, engineers, architects, owners, sureties, developers and financial institutions. He has managed project controls groups ranging in size from 10 to 25 people as well as outside schedule consultants and IT vendors. He has set company-wide policies and procedures as well as developed in-house training programs. In addition, he has extensive experience preparing daily specific as-built schedules, reviewing cost reporting systems, identifying and analyzing issues via documented reviews and interviews with project personnel.

PROJECT ROLE:

During this project, Mr. Wolf will be responsible for the construction related activities which includes managing contractors, project schedule change orders, claims and legal issues, final inspection and acceptance, project close out and warranties.



He is currently the senior project controls management for the New Parkland Campus Program in Dallas, Texas. As a team leader Mr. Wolf is responsible for the implementation and oversight of the program cost/schedule system on behalf of the Owner, the Parkland Health & Hospital System. His responsibilities include the development and alignment of staff, definition of business process workflows, end-user training and technical systems integration via management of internal IT resources, Parkland IT resources and various outside IT vendors and subcontractors. He also oversees a program controls team that is responsible for the budget, cost, schedule, procurement, logistics and constructability issues with two major national design firms and three major construction groups on a daily basis.

REPRESENTATIVE PROJECT EXPERIENCE:

Description	Location	Type
AOL/Time Warner Complex	New York City, NY	Commercial
Biltmore Theater Renovation	New York City, NY	Commercial
Charleston Job Corps Center	Charleston, WV	Commercial
Disney Concert Hall	Los Angeles, CA	Commercial
Doubletree Hotel Renovation	Romulus, MI	Commercial
Metropolitan Park/Garage 49	Bethesda, MD	Commercial
Pointe Orlando Parks	Orlando, FL	Commercial
Senate Employee Childcare Facility	Washington, DC	Commercial
Venetian Casino and Resort	Las Vegas, NV	Commercial
Mark Twain Elementary	Houston, TX	Educational
Memorial High School	Houston, TX	Educational
Pioneer Middle School	Irving, TX	Educational
Polytech Adult Education Facility	Woodside, DE	Educational
Prairie View A&M	Prairie View, TX	Educational
Reagan High School	Houston, TX	Educational
Region One Magnet High School	Chicago, IL	Educational
Sam Rayburn High School	Houston, TX	Educational
Shepard Hall Renovation Project	New York, NY	Educational
Steinman Hall Renovation Project	New York, NY	Educational
Stratford High School	Houston, TX	Educational
Brooklyn Courthouse Project	Brooklyn, NY	Government
Dallas Police Headquarters	Dallas, TX	Government
Harris County Juvenile Justice Center	Houston, TX	Government
Pentagon Design Build Renovation Navy Basement Renovation Segment 2.A.1-Wedge 4	Washington, DC	Government
Pentagon Design Build Renovation Navy Basement Renovation Segment 2.A.1-Wedge 4	Washington, DC	Government



*Request for Qualifications
Construction Management Services*

REPRESENTATIVE PROJECT EXPERIENCE (continued):

Description	Location	Type
Portsmouth Naval Acute Care Facility	Portsmouth, VA	Healthcare
Saint John's Hospital Renovation Program	Los Angeles, CA	Healthcare
TDCJ Hospital Fire Sprinkler Project	Houston, TX	Healthcare
Lennox Farm	Boston, MA	Residential
Lodge @ Seven Oaks	Baltimore, MD	Residential
Lofts @ Lakeview	Orlando, FL	Residential
1900 McKinney	Dallas, TX	Residential High-Rise
600 Thirteenth Street	Washington, DC	Residential High-Rise
7 Riverway	Houston, TX	Residential High-Rise
717 Olympic	Los Angeles, CA	Residential High-Rise
Acoma	Denver, CO	Residential High-Rise
Ford Field	Detroit, MI	Sports Stadium
International Polo Club	West Palm Beach, FL	Sports Stadium
PSINET (Baltimore Ravens) Stadium	Baltimore, MD	Sports Stadium
Raleigh Entertainment and Sports Arena	Raleigh, NC	Sports Stadium



DANA D. FETROW

EDUCATION:

Bachelor of Science in Architectural Engineering
Emphasis in Structural Engineering and Construction Management
The University of Texas at Austin – College of Engineering

PROFESSIONAL AFFILIATIONS:

Association for the Advancement of Cost Engineering (AACE) – President, San Francisco Section
Construction Management Association of America (CMAA) – Member
American Bar Association Construction Forum (ABA) – Associate Member
Commercial Interior Contractors Awards Foundation (CICA) – Board of Directors

PROFESSIONAL EXPERIENCE:

Mr. Fetrow has extensive experience managing consulting engagements for large projects all over the world. He has worked as an information technology consultant, business strategy consultant, design engineer, construction manager, cost estimator, scheduler and claims analyst. Mr. Fetrow specializes in managing and performing cost control, scheduling, project controls, risk management and training services. He is experienced in developing, analyzing, updating and monitoring construction cost systems and project schedules and other project reporting procedures. He utilizes standard industry scheduling methods and software to develop, monitor, and report the progression of construction projects to ensure clients are informed quickly and accurately of project events, potential problems and corrective actions.

PROJECT ROLE:

Mr. Fetrow will handle the financial management aspects of this project. He will be responsible for performing an analysis of the project funding allocations, budgets, expenses, reconciliations, total project costs and final payments.

Mr. Fetrow has extensive experience analyzing estimate, budget and cost elements of construction projects. He has developed hundreds of cost estimates, assisted clients with the creation and validations of work breakdown structures and project budgets and performed



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Construction Management Services*

numerous reviews of project cost information. Mr. Fetrow has performed process reviews, analysis and recommendations for numerous public and private clients around the world.

REPRESENTATIVE PROJECT EXPERIENCE:

Description	Location	Type
1999 McKinney Avenue Lofts	Dallas, TX	Commercial
Barton Skyway II Office Complex	Austin, TX	Commercial
Barton Skyway IV Office Complex	Austin, TX	Commercial
Best Buy Strategy Development	Minneapolis, MN	Commercial
Gap, Inc. Process Improvement	San Francisco, CA	Commercial
AMD Lone Star Office	Austin, TX	Commercial
Mack Energy Corporate Headquarters	Artesia, NM	Commercial
McCoy's Corporation Headquarters	San Marcos, TX	Commercial
Ross Stores Project Management	Pleasanton, CA	Commercial
Newhall Ranch Site Development Project	Los Angeles, CA	Commercial Mix
Ponderosa Material & Labor Cost Escalation	Los Angeles, CA	Commercial Mix
Pedernales Lofts Condominiums	Austin, TX	Commercial/Residential
West Campus Student Housing	Austin, TX	Commercial/Residential
Somerset Independent School District	Somerset, TX	Educational
Texas A&M Health Science Center	Bryan, TX	Educational
Texas State Stadium Renovation	San Marcos, TX	Educational
State of California Pre-project Planning	Sacramento, CA	Government
State of North Carolina Procurement	Raleigh, NC	Government
Joint Center of Excellence for Health Research	San Antonio, TX	Government/Healthcare
Grapevine Hospital	Dallas, TX	Healthcare
MD Anderson Research Laboratory	Bastrop, TX	Healthcare
MD Anderson Research Laboratory	Smithville, TX	Healthcare
The New Reid Hospital	Richmond, IN	Healthcare
Heron Creek Development	Hillsboro, OR	Multifamily Residential
Redondo Development Project	Seattle, WA	Multifamily Residential
Sunridge Park Development Project	Sacramento, CA	Multifamily Residential
Summerwalk Development Project	Lacey, WA	Multifamily Residential
Brentwood Mariposa Development Project	San Francisco, CA	Residential
Edgewater Development Project	Sacramento, CA	Residential
Horizon at Tamaron Ranch Development Project	Phoenix, AZ	Residential
Sunridge Park Development	Sacramento, CA	Residential
Terravista Development Project	Phoenix, AZ	Residential
Valencia Development Project	Los Angeles, CA	Residential
Windemere Verrado Development Project	San Francisco, CA	Residential



THOMAS E. HOPKINSON, NCRB, AIA

EDUCATION:

Bachelor of Architecture– The University of Arizona

CURRENT / PAST PROFESSIONAL AFFILIATIONS:

Member – National Council of Architectural Review Board
Member – American Institute of Architects (AIA)
Member – State of California, Architect Board Examiner

CURRENT LICENSES AND CERTIFICATIONS:

Licensed Architect in California, Texas, Nevada, Florida, Missouri, Utah, Hawaii and Arizona
General Contractors License (B-2), California (inactive)
NCARB Certified

PROFESSIONAL EXPERIENCE:

Thomas Hopkinson performs proactive construction and program management consulting services for owners, contractors, and subcontractors. Mr. Hopkinson is a licensed architect in California, Texas, Nevada, Florida, Missouri, Utah, Hawaii and Arizona and has over 35 years of experience within the architectural, construction and engineering fields. He assists clients throughout the design, construction and close out phases by evaluating project planning, costs, schedules, construction-related claims, and quantification of damages involving schedule delay and acceleration, productivity loss, late and/or excessive changes, deficient drawings and specifications, and differing site conditions.

PROJECT ROLE:

Mr. Hopkinson will assist during the project planning and construction phases of the project. His responsibilities will include reviewing plans and specifications, shop drawings and submittals as well as oversee the project architects and engineers.

Mr. Hopkinson has assisted clients on a variety of projects throughout the entire project lifecycle for both new construction and renovation projects. He has extensive experience establishing



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project scope and budget objectives, conducting site evaluations and coordinating onsite logistics in addition to managing multiple project teams and final inspection to turnover.

REPRESENTATIVE PROJECT EXPERIENCE:

Description	Location	Type
Souther Developments Carlos Murphy's	Capitola, CA South Lake Tahoe, CA	Residential Hospitality
Fresh Choice St. Joseph's Hospital	Santa Clara, CA Tucson, AZ	Hospitality Healthcare

Part Four – Representative Projects



2.4 Representative Projects

Our experienced and knowledgeable personnel utilize foresight and dedication in starting, executing and completing projects on time to meet the needs of our clients. Spire takes pride in communicating with our partners, and in so doing, has a history of streamlining projects in an organized fashion from conception so that we, as well as our partners, are satisfied with the approach and outcome.

Following is a representative sampling of some of the construction management and consulting projects our consultants have worked on.

Texas A&M Health Science Center



Cost Estimating
Change Order Analysis
Contract/GMP Analysis

Spire's consultants assisted Texas A & M with its pre-project planning process by providing cost analysis and estimating services, and schedule risk assessments for the \$128M Health Science Center in College Station, Texas. The facility consisted of approximately 391,000 square feet including two main buildings, a central plant and associated paved access drives, circulation lanes and parking areas.

Spire estimated the base bid scope as well as various alternates and provided value engineering services. Spire also evaluated the impact of alternates to the project schedule. Texas A&M used Spire's findings to evaluate a number of alternatives, identify cost savings opportunities, validate contractor bids and negotiate contracts. The AACE International Recommended Practice Costs Estimate Classification System was used to develop the preliminary cost estimate.

Project Name	Texas A&M Health Science Center
Location	College Station, Texas
Owner	Texas A&M University System
Final Construction Cost	\$128 Million
Project Gross Size	150,000 Square Feet
Project Management Services	Cost estimating; change order analysis; contract/GMP Analysis
Spire Manager	Anthony Gonzales



Request for Qualifications Construction Management Services

The New Reid Hospital



Cost Estimating
Scheduled Oversight
Quality Reviews
Claims Analysis
Dispute Resolution
Escalation Evaluation
Contract Analysis & Admin
Change Order Analysis
Document Reviews
Mediation Assistance

Spire's construction management consultants provided proactive cost estimating and CPM scheduling services for Reid's new \$300M, 715,000 square feet inpatient, outpatient and medical office complex located in Richmond, Indiana.

Spire's scope of work consisted of schedule reviews and oversight, and various cost analyses to help improve Reid's processes during the construction and project closeout phases. Throughout the project, Spire performed site walks and reviews of the contractor's schedule to provide the owner with monthly reports of findings. Spire also performed evaluations of escalation rates on labor, material and equipment during a two-month window and determined associated schedule risks. The analysis consisted of reviewing the associated work and determining national and international market factors that cause price fluctuations and quantifying the impact the fluctuations had on the overall cost of the project. Primavera was used in the schedule analysis.

Project Name	The New Reid Hospital Campus
Location	Richmond, Indiana
Owner	Reid Hospital & Health Care Services
Final Construction Cost	\$300 Million
Project Gross Size	715,000 Square Feet
Project Management Services	Cost estimating; schedule oversight; quality reviews; claims analysis; dispute resolution; escalation evaluation; contract analysis and admin; document reviews; mediation assistance
Spire Manager	Anthony Gonzales



**Contract, Change Order &
Claims Management
Project**



SANTOS CMI

Process & Procedure
Assessments
Claims Identification
Best Practices
Recommendations
Management Training
Seminar

Spire's consultant's performed a comprehensive review of Santos CMI's current contract, change order and claims management processes and procedures, and developed a four day training seminar based on their review and a preliminary survey given to top executive and key personnel. The course consisted of customized presentations geared toward an audience of company executives, operations managers, project managers, engineering managers, construction managers and procurement managers. The course included nine sessions focused on contract development and management, change order and construction claims management, productivity, scheduling and technology.

Based on the suggestions and feedback given by the participants throughout the seminar, Spire's consultants provided a list of recommendations to help Santos improve its project management processes throughout the entire project duration.

Project Name	Contract, Change Order & Claims Management Project
Location	Quito, Ecuador
Owner	Santos CMI
Project Management Services	Process & procedure assessments; claims identification; best practices recommendations; management training seminar
Spire Manager	Anthony Gonzales

Part Five – References



2.5 References

Project Name: Texas A&M Health Science Center
Owner: Texas A&M University
Representative: Paul Sanders
Phone: (979) 458-7008

Project Name: The New Reid Hospital
Owner: Reid Hospital & Health Care Services
Representative: Jeff Cook
Phone: (765) 983-3035

Project Name: The New Reid Hospital
Architect: HDR, Inc.
Representative: Mike Doiel
Phone: (402) 399-1000

Part Six – Project Execution



2.6 Project Execution

Spire's consultants are experts in industry standard project management processes and procedures and understand that those processes and procedures must be modified to fit the particulars of each individual project. When working with an institutional owner, Spire uses its expertise to apply the owner's standards to each individual project in the most effective manner. Spire works with its clients to obtain key stake holder buy-in on the appropriate methodology for each project and then monitors and reports on the execution of that methodology throughout the project while making any necessary modifications along the way.

While working on the Texas A&M Health Science Center project Spire was required to leverage its knowledge of both industry and institutional processes and procedures. Spire was tasked with performing a cost analysis consisting of a multi-alternative cost estimate, value engineering and schedule impact evaluation. Spire worked with the client to identify the most appropriate standards to apply and then modified those standards to meet the client's requirements. Standards were selected based on input from multiple team members and then Spire executed its work to those standards while documenting modifications.

Spire Consulting Group's in house quality assurance procedure consists of a rigorous system of checks and balances between in-house consulting groups. A three stage information review process by different levels of consultants has resulted in the elimination of nearly 100 percent of deliverable errors. Spire's review process begins several weeks before the deadline set by the client in order to incorporate the changes identified and deliver the product on time. The output created by this multi-team review process consistently receives accolades from our clients and consistently exceeds our clients' expectations. Depending on the specific project scope, this internal system of checks and balances translates well to the review and documentation of the professionals and contractors we are typically charged to manage.

Spire's work on the New Reid Hospital has required significant quality assurance efforts. Spire has produced numerous deliverables for the client since project commencement including cost analysis reports, schedule review reports, schedule validation reviews, claims reviews and dispute resolution support. Spire's reports, some of which are over 100 pages, have effectively



*Request for Qualifications
Construction Management Services*

communicated complex analyses with minimal errors. This has been accomplished by requiring that each deliverable undergo the rigorous quality assurance process described above.

Spire constantly strives to improve its performance and increase client satisfaction which is why we encourage our clients to provide feedback and constructive criticism at any point during our engagement. To measure our performance at the conclusion of each project we utilize the Net Promoter Score practice by asking our clients three simple questions:

1. How likely are you to recommend Spire to another customer? (scale of 1 to 10)
2. What is the primary reason for the score you gave?
3. What is the most important improvement you would like to see to make our company better in the future?

Since its implementation, Spire has averaged a **Net Promoter Score of 9.1** indicating that Spire's clients are loyal enthusiasts that will continue to retain and recommend our services to other potential clients. The information we gather from these questions allows us to see what needs to be changed in order to provide a superior work product and experience for our clients.

The key to Spire's successful record of completing projects on time is communication. Internally, Spire assigns a project manager that is responsible for administering all phases of that project from start to finish. The managing consultant acts as the interface for the client, regardless of the phase of the project. Our horizontal management structure allows our entire project team to be much closer to the client, allowing a better understanding of the client's needs and a faster reaction to those needs.

Spire Consulting Group adheres to a strict project budget and schedule control management system. Spire uses the scope of work identified by the client to estimate the total number of hours needed to perform the work requested. Then an estimate of the total cost and number of hours to complete the project is provided to the client. After the estimate is reviewed and approved, the project manager sets up an electronic workbook to monitor the budget and schedule throughout the duration of the project. Spire utilizes time management software and weekly reporting to track project status during the project.



The project manager develops a work plan at the beginning of the project for the team to use as a guide throughout the duration of the contract. All of our project work is scheduled in-house with MS Project and our time management system. The initial work plan is reviewed and finalized with the client to ensure the target dates are agreeable and interim meetings are set up in order to give regular updates to the client. Management updates the MS Project work plan weekly with the project team members. Hours and billings are posted weekly as an internal check for schedule and budget.

Our personnel are required to submit their hours weekly so that management can see where projects stand in real time and forecast hours for the upcoming weeks. Weekly internal project status meetings are held to compare target budgeted hours to actual performance. This allows us to check our utilization rates and make necessary improvements to enhance our efficiency.

A point person for each active client is identified in order to ensure all parties are informed and updated during every stage of the project. This allows effective and efficient communication between consultants and groups. Ensuring continuity of project objectives on a single project is never a problem due to our constant flow of communication.

Spire's up-to-date software systems provide review tracking, sharing and feedback in a real-time manner. Managers can see who made comments and when they were made on important documents at a glance. Issues with outside agencies are usually posted and tracked on the project's MS Project work plan, which allows Spire to monitor expected start and finish dates for items/tasks in addition to actual start and finish dates. Spire tracks most action items as schedule activities to ensure timely completion of all tasks.



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: TSC District Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on the approval of a contract with George Cunningham Co., Inc., for the Mary Rose Cardenas North/South Chilled Water Piping Replacement.	
Rationale/Background: <p>Tom Green & Company Engineers, Inc. (TGCE) was retained to perform an engineering evaluation of the replacement of the chilled water lines in the Mary Rose Cardenas North/South (MRCN/S) buildings. TSC staff have received recommendations from TGCE that this is a high priority project due to the potential failure of the existing piping that could produce damage to the facility and affect scheduling in the building if such a break were to occur. UTB administration, who previously had managed this project for TSC, has also identified this project as a high priority maintenance project.</p> <p>TGCE has provided additional recommendations regarding the entire HVAC system which includes the MRCN/S building. It was noted that the chilled water piping replacement will not solve all of the existing HVAC issues. However, the other improvements, including replacing air handling units and duct system replacement would increase the cost over \$2.4 million. Although the project appears to have merit, TSC staff would like the opportunity to review the potential increase in project scope. However, it would be prudent to proceed with the pipe replacement to address to existing potential pipe failure.</p>	
Recommended Action: A motion to award the contract to George Cunningham Co., Inc., for the Mary Rose Cardenas North/South Chilled Water Piping Replacement, in the amount of \$389,250 and to authorize the Interim Vice President for Administration and Finance to execute the contract.	
Fiscal Implications: Budgeted Item: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If no, explain: <p>In the fiscal year 2011 budget, a total of \$2,368,000 was budgeted for capital improvements, of which \$300,000 was allocated for the MRCN/S chilled water pipe replacement. After previous expenditures, \$259,092 is available from the original allocation. Other capital improvement projects have either been completed, deferred, or changed in scope which provided sufficient funding to allocate an increase of an additional \$131,168 to this project.</p>	
Attachments (List): <ol style="list-style-type: none"> 1. Recommendation letter 2. Tom Green and Company Engineers, Inc. report 3. Tom Green and Company Engineers, Inc. presentation 4. Bid Tabulation 5. Proposal 	

FOR OFFICE USE ONLY:		
Board Action:	Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Tabled for action on: _____	
Certified by: _____	Title: _____	Date: _____

June 09, 2011

CN 1091.00

Mr. Juan Jose Avalos
Special Projects Coordinator
Texas Southmost College District
80 Fort Brown
Brownsville, Texas 78520

SUBJECT: Texas Southmost College - Mary Rose Cardenas North/South - Chilled Water Piping Replacement: Proposal Negotiation Period Options

Dear Mr. Avalos:

First I would like to thank you for your efforts in evaluating this highly involved renovation project. As you know, only one proposal was received from the George Cunningham Company in Harlingen, Texas. Although we were not involved in the review of the complete process, we have reviewed the Proposal Form, and understand this company has satisfactorily completed projects on your campus. From our brief cursory review and confirmations with the George Cunningham Company, the proposal (as submitted) was confirmed to include all requirements of the Contract Documents (plans and specifications).

The proposal aligns well with the Opinion of Probable Construction Cost for this project. George Cunningham's cost for the Base Proposal is currently \$389,250 with a total contract duration of 70-days. These costs do not include the acceptance of any Voluntary Alternates or otherwise negotiated items.

The proposed contract amount was below our design phase opinions of probable construction cost, and we currently have no objections to the award of contract to the George Cunningham Company. If the College is acceptant of the proposal cost/duration and is comfortable with the qualifications of the proposed company, we recommend accepting the current proposal.

Please let us know how we can further assist. And as always, should you have any questions or comments, they will be welcomed.

Sincerely,



Cameron Labunski, P.E.

Attachment
CL:cl

March 03, 2011

CN 1091.00

Mr. Juan Jose Avalos
Special Projects Coordinator
Texas Southmost College District
80 Fort Brown
Brownsville, Texas 78520

SUBJECT: Texas Southmost College - Mary Rose Cardenas North/South - Phase I Engineering Evaluation for Chilled Water Line Replacement Project

Dear Mr. Avalos:

Attached please find the Preliminary Phase I Engineering Systems Evaluation for the above referenced project.

Because the current status of the project is Preliminary, further development is underway. The current status of the Evaluation requires approval to proceed into the design phase of the project. Our intent with distribution of the current progress of our work is to gain acceptance of the current scope direction or, alternatively, be given appropriate re-direction to proceed with a revised scope of work.

If you should have any questions or require additional information, as always, please feel free to call me.

Sincerely,



Cameron Labunski, P.E.

Attachment
CL:cl

TEXAS SOUTHMOST COLLEGE
DISTRICT



**PHASE I ENGINEERING EVALUATION FOR
THE MARY ROSE CARDENAS NORTH
AND SOUTH BUILDINGS, REPLACEMENT
OF CHILLED WATER LINES**

PRELIMINARY REPORT

FOR
TEXAS SOUTHMOST COLLEGE DISTRICT
PROJECT # (RFQ No.) TSC 11-02

Presented to:

Texas Southmost College District

March 3, 2011



**Tom Green & Company
Engineers, Inc.**

Phase I Engineering Evaluation for the Mary Rose Cardenas North and South Buildings, Replacement of Chilled Water Lines

PRELIMINARY ENGINEERING REPORT

Presented to:

Mr. Juan Jose Avalos
Special Projects Coordinator
Texas Southmost College District
80 Fort Brown
Brownsville, Texas 78520

Prepared by:

**Tom Green & Company
Engineers, Inc.**

3701 Executive Ctr. Drive
Suite 258, Austin, Texas 78731
Texas Firm Registration 2929

PRELIMINARY

THIS DOCUMENT IS RELEASED FOR
THE PURPOSE OF PRELIMINARY
REVIEW ONLY.

CAMERON LABUNSKI, P.E. 92707
DATE RELEASED: 3/3/2011

March 3, 2011

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EXHIBIT A: OPINION OF PROBABLE CONSTRUCTION COST (OPCC)
 UNCERTAINTIES

EXHIBIT B: TAB PRE-AUDIT FIELD NOTES

EXECUTIVE SUMMARY

Tom Green and Company Engineers, Inc. (TGCE) was engaged to evaluate the chilled water piping system in the Mary Rose Cardenas North and South (MRCN/S) buildings at the Texas Southmost College District (TSCD) in Brownsville, TX. The buildings are located in the center of the TSCD Main Campus. The MRCN/S buildings are approximately 22 years of age, and are approximately 44,000 sq.ft. (north) and 53,000 sq.ft. (south).

The initial objective of this project was to evaluate the existing facility's chilled water (CHW) distribution system to determine the scope of design for its replacement, and to prepare opinions of probable construction cost (OPCCs). Due to conditions observed during our CHW piping investigations, an accompanying objective is to provide general assessments and subsequent recommendations affecting other parts of the heating, ventilating, and air conditioning (HVAC) systems, and affecting other parts of the building.

These combined objectives are necessary and prudent in order for modifications to be effective and to be accomplished with the best overall economy.

Regarding the CHW distribution, we recommend a full replacement of the existing system in the MRCN/S buildings, including the coil connection and control valve assemblies. This work, will require abbreviated (several weeks per building) shutdowns to each of the buildings' chilled water systems. In addition, temporary means of providing proper building pressurization and dehumidification will be required to allow for proper conditioning of building air during construction.

In addition to the CHW distribution piping, the Phase-I evaluation identified that the existing HVAC system is inadequate as currently installed, and that it does not function correctly. The existing HVAC system configuration and operation does not effectively control relative humidity levels below 60%, thereby presenting conditions potentially favorable to microbial growth. Based on observations, this growth appears to be potentially occurring, thereby affecting indoor air quality and potentially occupant health. The continued operation of the existing HVAC systems (which cannot appropriately respond to moisture events) presents the likelihood for continued deterioration of existing building systems.

In addition to the HVAC systems issues, the buildings' leaky exterior envelope results in excessive amounts of infiltration. This infiltration further compromises humidity control. Correcting the HVAC system deficiencies and providing proper building pressurization would reduce the infiltration to some extent, but the HVAC system by itself would likely not resolve those envelope issues.

Accordingly, modifications to the HVAC system are possible, and while improvements to indoor conditions will result, these modifications should not be expected to remedy all items identified. Furthermore, most of the existing components age exceeds their expected service life.

Due to their age and to their significantly deteriorated condition, near term replacement of the HVAC system is necessary. The expected remaining life of the majority of

existing HVAC systems is approximately 1-10 years (component dependent), but keeping many of the existing systems in service through this period will result in continued operating and maintenance deficiencies. It is recommended that a further evaluation of the existing building-wide HVAC system and building envelope be performed to identify modifications and respective costs associated with remedy of these issues.

We recommend evaluating the feasibility and prioritizing corrections to the variety of other HVAC and building envelope issues, so that some or all of that work might be performed concurrently with the chilled water piping replacement project. Such a combining of high priority needs will achieve better economy, more predictable performance, and significantly fewer building disruptions than would a piecemeal approach.

- END OF EXECUTIVE SUMMARY -

1.0 INTRODUCTION

The MRCN/S Chilled Water Line Distribution project consists of four main elements. These elements are: 1) evaluation of existing chilled water line distribution (and TAB Pre-Audit); 2) scope development for repair/replacement of selected HVAC systems to address functional issues; 3) generation of opinions of probable construction costs (OPCCs); 4) design for the replacement of chilled water distribution piping in each building.

The MRCN/S Buildings were originally constructed in the late 1980's. In the late 1990's, a controls upgrade project was performed in both buildings. Other smaller space renovations have occurred, but appear not to have had a great impact on the overall HVAC systems distribution/zoning or space usage.

2.0 PRELIMINARY INFORMATION

2.1 Objectives

The objectives of this study are to determine the design scope for the current project, as well as identify any issues seen as potentially impacting the current project. Further, the conceptual solutions are to consider the renovation inside of an operating classroom building, what the most favorable solution(s) might be, and what probable construction cost might result.

2.2 Scope

- A. Research available drawings/records/reports and make visual surveys to identify types of existing systems, their condition, and their adequacy for continued use.
- B. Interview appropriate Owner personnel/representatives to identify known "histories" applicable to the study.
- C. Review pertinent elements of applicable codes or standards, and identify observed conditions that do not appear to be in compliance with them.
- D. Identify observed HVAC systems that appear to be in need of repair, replacement, or improvement due to: non-compliance with codes/standards or other safety concerns; systems' age; systems' conditions; indoor air quality conditions; or energy inefficiency. (Note: This item is not included in the original scope, but we have included recommendations if/as identified in the course of our work.)
- E. Based on above, make recommendations for upgrades and/or replacement of existing systems.
- F. Prepare Opinions of Probable Construction Costs (OPCC) based on recommendations.
- G. Coordinate with the project team and Owner representative(s) for consensus determination of design and construction approach.

2.3 Applicable Standards and Codes Considered

- A. NFPA 70 – National Electrical Code – 2007 Edition
- B. NFPA 72 – National Fire Alarm Code
- C. NFPA 90A & 90B – Standards For Installation of HVAC Systems
- D. NFPA 101 – National Life Safety Code
- E. International Energy Conservation Code – 2009 Edition
- F. IMC 2006; IPC 2006 – International Building Codes
- G. IBC 2006; IFC 2006 – International Mechanical Codes
- H. Texas Accessibility Standards (TAS)
- I. ASHRAE Standard 62-2010
- J. ASHRAE 90.1-2007

3.0 EXISTING BUILDING SYSTEM DESCRIPTIONS

3.1 HVAC Systems

A. Hydronic Piping

1. Chilled water piping is connected to each MRC N/S building via underground hydronic piping and uses central plant pumps for building circulation. Chilled water pipes serving each building enter below grade, with isolation valves located in site valve boxes. Chilled water piping is distributed above ceilings to each AHU. Interior chilled water piping is insulated with fiberglass insulation, a practice which is not advisable in piping systems operating with condensing temperature fluids.

Existing chilled water piping systems are severely aged throughout the building. Corrosion related to 10-years of chilled water circulating without chemical water treatment and regular exposure to condensate from fiberglass piping insulation has severely deteriorated piping systems on both the inside and outside of the pipe.

B. Existing HVAC Systems Within the Building

1. Existing Air Handling Units (AHUs): Existing central station chilled/heating water AHUs and associated distribution ductwork currently condition the majority of interior building spaces. AHUs are variable volume with inlet guide vanes and cooling only terminal units for each zone, with the exception of one single zone constant volume AHU. AHUs were observed with heating coils in the preheat position, in lieu of the designed re-heat position necessary for humidity control.

Interior duct liner (insulation) is used extensively throughout the building. These liners become a repository of dust, mold spores, and other contaminants which, especially when in the cool and moist supply duct environments, can become habitats for microbial growth sites. Other conditions include the following:

- a) AHUs have exceeded their useful service life. Rust, dirt, and dust cover interior surfaces of each unit. Contributors to these conditions include, filter bypass, inaccessible coils (cannot be cleaned), fouled coils, severely deteriorated casings/coil connections, and age.
- b) Several AHUs were observed to be missing outside air ductwork or had no outside airflow moving through the installed ductwork. This presents a building pressurization issue, as the designed exhaust airflow currently exceeds the measured outside airflow by approximately 3500-cfm (for MRC N/S combined).
- c) Dust and dirt have coated much if not all of the internal duct system. Evidence of soiled conditions can be found at multiple

supply air devices throughout the building. These conditions are a result of inadequate filtration/filter bypass, and perhaps of microbial growth in the duct system.

- d) Chilled water flow to AHUs was measured to be approximately 60% of design at full flow conditions. Much of the flow reduction can be attributed to the severe corrosion present on the inside of the chilled water piping, restricting flow and repeatedly clogging strainers. Note: The chilled water piping replacement will restore design flow to coils, which will likely increase central plant loads (pumping/capacity) or potentially reduce flow to other buildings served by the central plant and respective pump.
2. Existing General Exhaust: Constant volume general exhaust systems exist in restroom and support areas. Several exhaust fan discharges appear to not be installed (at least not in locations designated in original construction documents). Discharge locations, if existing, are uncertain as of this writing.
 3. Building Pressurization: Due to concerns rising from review of drawings and conditions observed on site, building pressurization was preliminarily evaluated as a portion of the current study. The evaluation was based on information available in existing drawings and on some measured values of airflow.
 - a) Existing Pressurization: TGCE's investigation of the existing HVAC system determined that originally designed outside airflows were appropriate to provide proper building pressurization with respect to the outdoors (in a building with airtight construction).
 - b) Outside air flow was measured to be deficient of design values, with actual outside air flow at roughly 30% of original design (on average for all AHUs). This result is significant, since the design exhaust airflow exceeds existing outside airflow by 3500-cfm (between the two buildings), creating a mechanically forced infiltration through each building envelope.
 - c) The impact of the negative pressurization is highly significant from both a building and HVAC system standpoint. The unconditioned make-up air and infiltrated outside air brings in approximately 19 gallons/hour of water during warm and humid weather (1% ASHRAE dehumidification conditions, from 83F db/78.5F wb to 74F db/63F wb). Once inside the building, much of this moisture is available to saturate building materials and support microbial growth. It also creates a space latent load that cannot be removed, since it enters the space before it is conditioned, and thus humidity in the spaces is increased.
 - d) In Brownsville's climate, direct introduction of unconditioned outside air to conditioned spaces is undesirable: the more that is introduced, the more undesirable the situation. The risks for many

building humidity and biological/microbial growth issues grow significantly with this situation. The current project scope does not respond to this issue.

4. Building Controls System

Currently, building HVAC systems are controlled by digital control systems and components by various manufacturers. The extent of each system and sequences of operation on the DDC system are unknown at this time, but the system appears to be attempting to control the discharge air temperature to a given setpoint (as indicated in the controls upgrade project).

A high humidity override sequence is represented in the controls upgrade project, but is not possible with the existing construction (AHU configuration). The original construction installed AHUs with the heating coils in the pre-heat position in lieu of the designed post-heat (re-heat) position. This condition removes the ability to sub-cool discharge air temperature (then reheating it) for dehumidification purposes. (Please note that the sequences as presented also appear to be in violation of current State energy code. If so, they could not be implemented at this point.)

Many of the chilled water control valves appear to be controlled to the full open position, in an (unsuccessful) attempt to meet discharge air temperature setpoints. This condition is not surprising, given the reduced interior diameter of piping and the heavily soiled condition present at coils resulting in air-side fouling.

5. General Building Conditions

Water damage has occurred in multiple locations throughout the building. This damage appears to be caused by chilled water piping leaks and general condensation on ductwork/piping systems throughout the building. Sites of suspected microbial activity were observed throughout the building, with the bulk of apparent colonies/sites present in mechanical rooms or on chilled water piping insulation. It is important to note that these sites were not tested for confirmation of microbial activity or type.

6. Remaining Service Life

The expected remaining life of the majority of existing HVAC systems is approximately 1-10 years (component dependent). Attempting to keep many of the existing systems in service through this period will, however, result in continued and worsening performance issues.

C. Existing Building Exterior

- a) Ventilated soffits were observed in multiple locations around the building exterior. These soffits act as "holes" in the building

envelope, allowing outside air (and insects) into the building. Furthermore, inadequate construction and sealing is allowing outside air to communicate directly with above ceiling spaces inside the building. This condition can introduce large amounts of moisture into the building (especially in a negatively pressurized building such as this one), which can lead to microbial activity inside of the building.

- b) Points of building egress act as breezeways, due to the lack of proper vestibules, rotating doors, or other means of maintaining secure openings. Air inside of corridors is repeatedly “flushed” outdoors, with outside air replacing the corridor air. This condition presents an opportunity for wetting of building materials, as well as areas of high humidity. Periods of exposure to high humidity levels are evidenced by sagging or “pillowed” acoustical ceiling tiles and numerous sites of rusted equipment/building systems. Overcoming this breezeway condition with additional HVAC/building pressurization alone is nearly impossible (if not certainly impractical).

4.0 BUILDING SYSTEM MODIFICATION RECOMMENDATIONS

4.1 Chilled Water Piping Replacement

The existing MRCN/S Buildings at TSCD require a full replacement of the existing chilled water distribution system, including all coil connection assemblies at AHUs.

Replacement of the chilled water piping will be difficult, and potentially expensive/disruptive in a fully occupied building. It will likely require abbreviated (several weeks per building) shutdowns to the respective chilled water systems. In addition, temporary means of providing proper building pressurization and dehumidification will be required to allow for proper conditioning of building air during construction.

The Owner can expect to vacate portions of the building (if not the entire building for short durations) during construction. Significant disruptions to office and classroom spaces, perhaps for extended periods in localized areas, will likely require off-site facilities to support faculty and student activities during periods of construction. Duration and extent of vacancy in each building will vary, but will likely exceed 3-weeks per respective building. To limit down-times and secondary work items (such as ductwork removal/re-installation), alternate routes for chilled water piping over less congested areas are being pursued.

Attention to the chilled water quality was not included as a portion of this study, since it was reported by Owner representatives that the water quality and appropriateness of current chemical water treatment is suitable. Additionally, indoor air quality tests/studies have not been performed as a portion of the current project.

4.2 Additional Recommendations

The current project can be successfully implemented, remedying the current chilled water piping distribution issues. That scope, however, will not address other key issues in the original design and existing construction. To appropriately respond to these issues, a major HVAC systems renovation is likely required along with several architectural modifications to the existing buildings' points of egress.

Performing limited scope modifications ("band aids") to the existing HVAC system (beyond the chilled water line replacement) is not recommended. Most of the existing components are nearing or beyond their expected service life. Besides being short-lived, limited modifications would also yield limited, and quite likely insignificant, improvements. It is recommended that a building-wide HVAC renovation project be evaluated concurrently with this project.

Due to the limited current project scope (CHW piping only), that scope alone will not provide an acceptable performance of the HVAC system and the building. The recommended systems replacement (i.e., an expanded project scope) would rectify issues that appear to have been present since the original construction of the building. Only with this expanded scope can acceptable performance be achieved. Only with this expanded scope might the building itself attain its expected service life.

We therefore recommend evaluating the feasibility and prioritizing the corrections to the variety of other HVAC and building envelope issues so that some or all of that work might be performed concurrently with the chilled water piping replacement project. Such a combining of high priority needs will achieve better economy, more predictable performance, and significantly fewer building disruptions than would a piecemeal approach.

5.0 OPINIONS OF PROBABLE CONSTRUCTION COST (OPCC)

The table presented below represents our OPCC provided as a portion of this Report, which includes all HVAC provisions required to accommodate modifications associated with the replacement of the existing chilled water piping distribution system. The OPCC also includes architectural systems costs associated with HVAC solutions.

BLDG SYSTEM	Cost
Mechanical/Architectural	\$399,000 (+/- 30%)
General Contractor O&P	\$60,000 (+/- 30%)
Total	\$459,000 (+/- 25%)

NOTES:

- (1) Costs are presented in 2011 dollars. The uncertainty of each item is judged to be approximately $\pm 25\%$, with lower bound of ~\$344,000 and an upper bound of ~\$574,000 for phase construction in a mostly unoccupied building.
- (2) Costs are based on Bid/Proposal construction delivery method of a general contractor. Except where presented, costs do not include additional expense incurred by Owner for project management, project design, abatement, furniture, building occupant disruption and displacement.
- (3) Refer also to Exhibit A for Discussions of Opinions of Probable Construction Costs (OPCC).

6.0 FIGURES



Figure 1 – AHU Casing Deterioration



Figure 2 – Degradation of AHU Casing and Ductwork



Figure 3 – Smudging of Ceiling at Air Devices, Resulting From Filter Bypass



Figure 4 – Dirty Heating Coil (Upstream of Cooling Coil), Installed Without Access for Coil Cleaning



Figure 5 – Chilled Water Piping Deterioration at AHU Connection



Figure 6 – Chilled Water Pipe Corrosion (Removed by Maintenance Personnel Due to Leak)



Figure 7 – Chilled Water Piping Condition Under Insulation



Figure 8 – Chilled Water Piping Leaks and/or Condensation

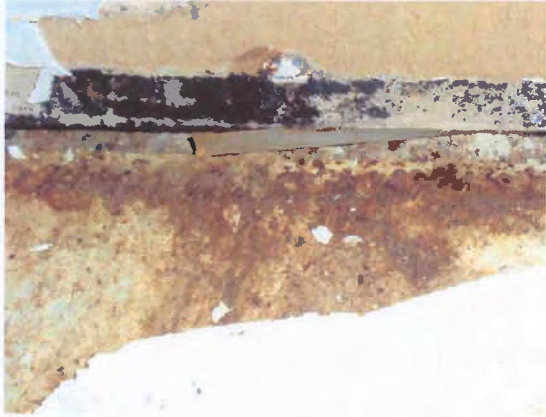


Figure 9 – Site of Suspect Microbial Activity at Partition Behind Cove Base, Resulting From Chilled Water Piping Leaks and Condensation, Exacerbated by Elevated Building Humidity Levels



Figure 10 – Chilled Water Piping Leaks/Condensation, Causing Secondary Ductwork Corrosion (Similar Sites Widespread Throughout Building)

EXHIBIT A

**Discussion of Uncertainties in Opinions of
Probable Construction Costs (OPCC's)**

There is a saying that occasionally is heard amongst those in almost any field of endeavor, including construction or design. It goes something like this:

"In any project there are three variables: quality, scope, and cost. If any two are fixed, the third varies according to the other two."

A corollary in the case of building design and construction might go something like this:

"As design progresses and intended results are better defined, the costs of the construction project become progressively more certain."

In short, the uncertainties in the cost of a construction project are high at the beginning phases and diminish to zero only once the construction is completed.

So how might one describe this uncertainty in real, quantifiable terms. Our experience and judgment over the years has shown that cost estimates can generally be characterized by the following uncertainties. Note that smaller projects have characteristically higher uncertainties.

Uncertainties for MEP Project Sizes (at 95% Confidence Interval)

Current Progress = Schematic Design

Project Status	<u>Small (<\$1 million)</u>		<u>Medium (\$1-5 million)</u>		<u>Large (>\$5 million)</u>	
	New	Renov.	New	Renov.	New	Renov.
Pre-Program	±30%	±35%	±25%	±30%	±20%	±25%
Program	±25%	±30%	±20%	±25%	±15%	±20%
Schem. Design	±20%	±25%	±15%	±20%	±10%	±15%
Des. Develop.	±15%	±20%	±10%	±15%	±8%	±12%
Const. Docs.	±10%	±15%	±5%	±10%	±5%	±10%
Bidding	±5%	±8%	±3%	±5%	±3%	±5%
Const. Compl.	±1%	±2%	±1%	±1%	±1%	±1%
Warranty Compl.	±0%	±0%	±0%	±0%	±0%	±0%

These uncertainties might best be understood when looking at the construction documents phase. In a medium-sized renovation project, for example, the actual bids received commonly vary by 10 to 15%. Hence, ± 8% variations are experienced even by the contractors who do all the detailed estimating and investigation, and who have a very highly vested interest (their livelihood) in correctly estimating the work. It logically follows, then, that an engineering/architectural team is not likely able to present an estimate with accuracy better than ± 10% at this phase.

Also, please note that the uncertainties might best be viewed as a normal distribution on the familiar bell curve. For example, a "three sigma" (three standard deviations) departure from the mean yields a confidence interval of roughly 95%. Hence, if the total judged uncertainty is ± 30%, 10% might be approximated as "one sigma", 20% as "two sigma", and 30% as "three

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sigma". Using this approach, it can be seen that the bell curve gets taller and thinner as design progresses because fewer uncertainties exist. This process is simply a natural evolution that applies to most all activities, even those outside the realm of construction.

All this being said, it may be important to also relay our track record in estimating construction costs. With few exceptions (usually on smaller projects), our MEP OPCC's are within 10% of the MEP bids received. It is not uncommon for our estimates to be within five percent. We are able to accomplish these accuracies by properly judging the complexities of a given project, and factoring them into the costs.

Even so, we must not lose sight of the reality that "scope" and "detail" uncertainties in the early project phases can be high. Accordingly, cost uncertainties are equally real and it is our responsibility and duty not to ignore them.

EXHIBIT B

TAB PRE-AUDIT FIELD NOTES

Report Dated February 25, 2011

Note – Final typed report to be submitted at a later date. Information presented under this cover is for current reference only, and is not intended to represent a final TAB Pre-Audit Report.

U.T. Brownsville Chilled Water Audit

	Water Temps			Air Temps				ΔT		Total AirFlow	Outside AirFlow	Ch Temp	Coil H ₂ O ΔP
	Ent	Lev.	ΔT	Entering DB	Entering WB	Leaving DB	Leaving WB	DB	WB				
AHU-1	45.7	52.2	6.5	72.1	62.7	56.9	55.0	15.2	7.7	6617	120	76.2/68.8	19.5'
AHU-2	44.9	51.6	6.7	70.3	62.0	57.6	55.6	12.7	6.4	7683	1151	76.2/68.8	21.5'
AHU-3	44.1	57.5	13.4	72.4	64.6	62.9	62.0	9.5	2.6	2067	223	72.9/69.3	1.10'
AHU-4	44.3	50.8	6.5	72.1	62.3	54.5	53.0	17.6	9.3	6821	28	74.6/68.9	25.0'
AHU-5	44.5	52.1	7.6	71.4	61.9	56.0	54.6	15.4	7.3	9349	φ	72.4/64.2	29.2'
AHU-6	44.6	54.6	10.0	74.9	66.7	59.1	57.8	15.8	8.9	6041	③	③	13.3'
AHU-7	44.4	62.8	18.4	75.3	67.2	64.0	62.1	11.3	5.1	7230	297	75.3/67.9	22.6'
AHU-8	44.7	73.9	29.2	74.8	67.5	72.5	65.9	2.3	1.6	1282	119	74.7/70.3	.35'
AHU-9	44.4	49.3	4.9	72.2	65.9	55.4	51.6	16.8	14.3	705	179	74.7/70.3	7.0'
AHU-10	44.3	54.9	10.6	70.3	66.3	59.7	59.1	10.6	7.2	1194	260	74.7/70.3	9.4'
AHU-11	44.4	54.2	9.8	75.5	67.0	60.9	59.7	14.6	7.3	5603	1235	76.2/70.5	6.3'
AHU-12	44.1	52.3	8.2	75.0	68.2	60.1	58.3	14.9	9.9	5388	566	72.2/64.2	13.0'
AHU-13	44.3	67.4	23.1	77.6	66.6	70.4	63.6	7.2	3.0	7718	487	76.2/70.5	.33'
AHU-14	44.3	51.1	6.8	76.7	65.4	59.5	55.2	17.2	10.2	2685	③	③	13.6'
AHU-15	44.3	73.1	28.8	77.1	66.3	74.2	64.7	2.9	1.6	1547	10	77.9/66.9	31.4'

- ① Total ultra sonic reading to North Bldg was 183 gpm to 207 gpm.
- ② Total ultra sonic reading to South Bldg was 140 gpm to 160 gpm.
- ③ Unit does not appear to have outside air installed.

**TEXAS SOUTHMOST COLLEGE –
MARY ROSE CARDENAS NORTH/SOUTH
CHILLED WATER PIPING REPLACEMENT**



CAMERON LABUNSKI, P.E.,
HFDP, HBDP, CPMP, LEED AP

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INNOVATORS AT WORK. INNOVATIONS THAT WORK.

Building Issues

- ⦿ High building humidity
- ⦿ Infiltration (natural and mechanical)
- ⦿ Inadequate HVAC system
- ⦿ HVAC system noise/vibration
- ⦿ Chilled water piping
deteriorated/leaking/clogged
- ⦿ Damage to building construction
- ⦿ Potential microbial growth sites
- ⦿ Fire-fighting begets fire-fighting

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Existing HVAC Systems

- ⦿ High end commercial systems, not institutional quality
- ⦿ Aged/deteriorated HVAC system, over 20 years old
- ⦿ Internally lined ductwork
- ⦿ Beyond expected service life
- ⦿ Subjected to extreme conditions
- ⦿ No active humidity control present
- ⦿ Modification of HVAC system would be more costly than replacement

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Building Systems

- ⦿ Active systems (e.g., MEP): high priority
- ⦿ Envelope systems (e.g., roofs, walls, windows): should be high priority

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Current Project Scope (In Design)

- Replace chilled water piping
 - Responds to active building damage
 - Reduce maintenance activities
 - Prepare for larger scope HVAC replacement
 - Will not remedy humidity, infiltration, or inadequate HVAC issues
 - Potential increase of existing “semi”-dormant issues

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Near Term Project Scope

- Replace HVAC Systems, Ductwork, and Controls
 - Allows active humidity control
 - Reduces infiltration
 - Reduces passive building damage
 - Reduces maintenance activities
 - Extends building life
 - Potential reduction in energy use
 - Increases indoor air quality
 - Potential increase in worker alertness/efficiency

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Future Project Scope

- ◎ Rotating doors and/or vestibules
 - Existing entrances mimic wind-tunnel
 - Reduces infiltration
 - Responds to passive building damage
 - Reduces maintenance activities
 - Extends building life
 - Reduces energy use
 - Increases indoor air quality
 - Potential increase in worker efficiency

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Projects' Benefits

- ◎ Curb problems/liability
- ◎ Reduce infiltration
- ◎ Control moisture
- ◎ Reduce noise
- ◎ Reduce absenteeism
- ◎ Reduce energy consumption
- ◎ Prolong equipment life
- ◎ Reduce maintenance
- ◎ Downsize equipment (or create redundancy)
- ◎ Improve indoor air quality
- ◎ Increase employee/occupant productivity

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Project Timeline - Chilled Water Piping

- ◎ Design Completion: May, 2011
- ◎ Board Approval: June, 2011
- ◎ Start of Work: July/August, 2011
- ◎ Project Completion: Fall 2011

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Q & A

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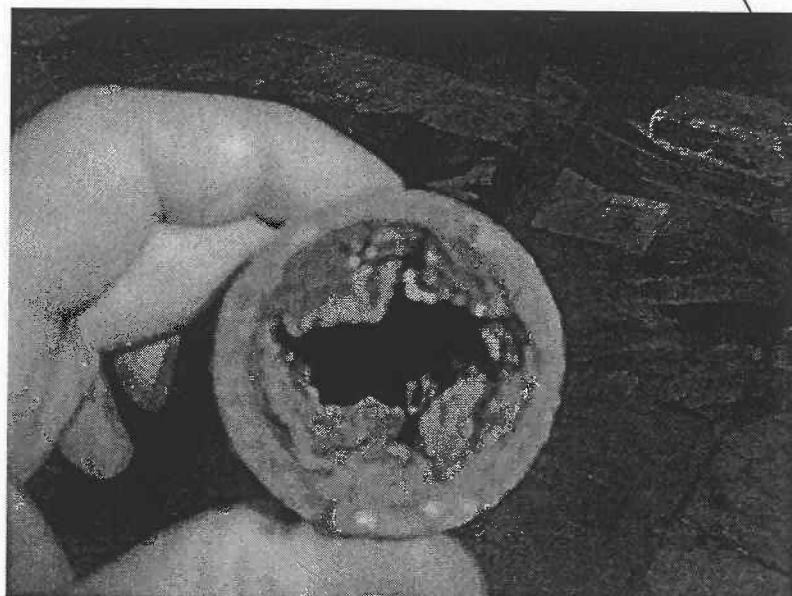
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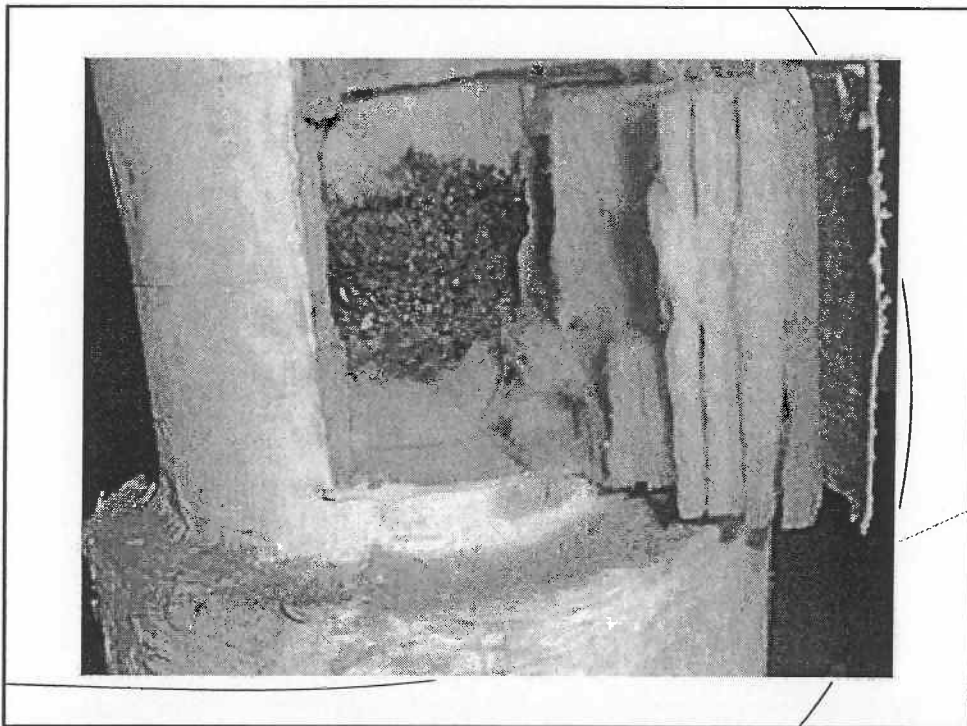
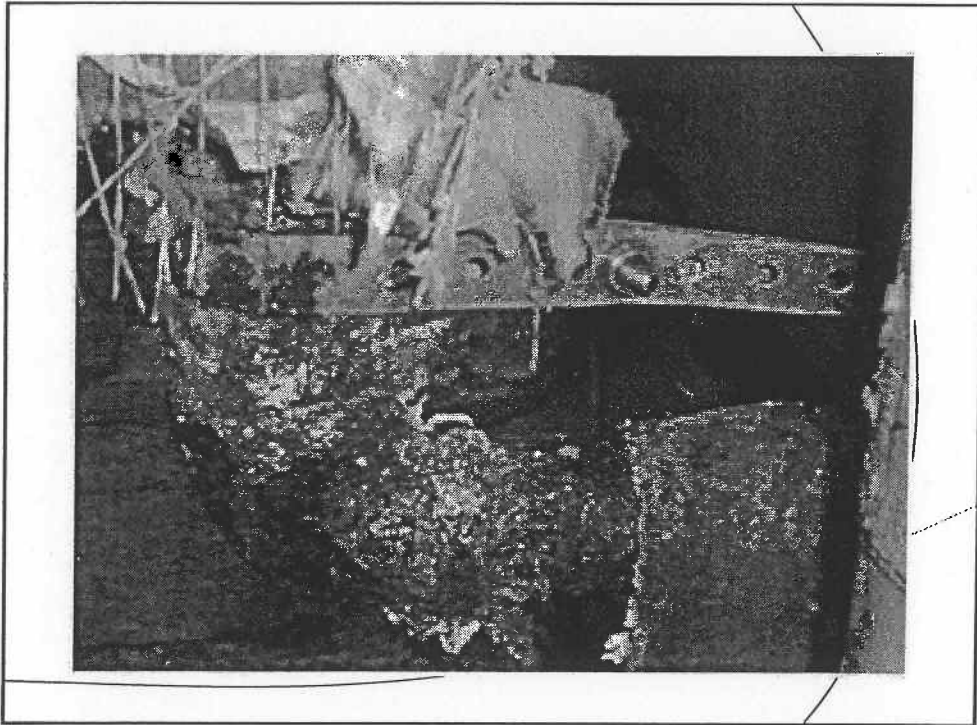
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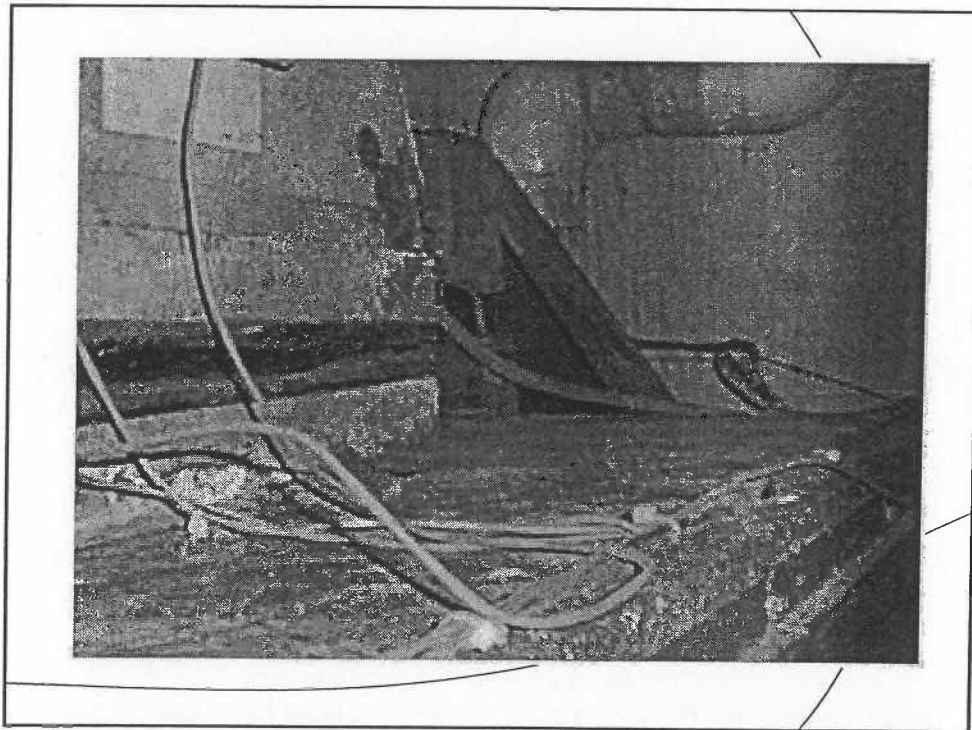
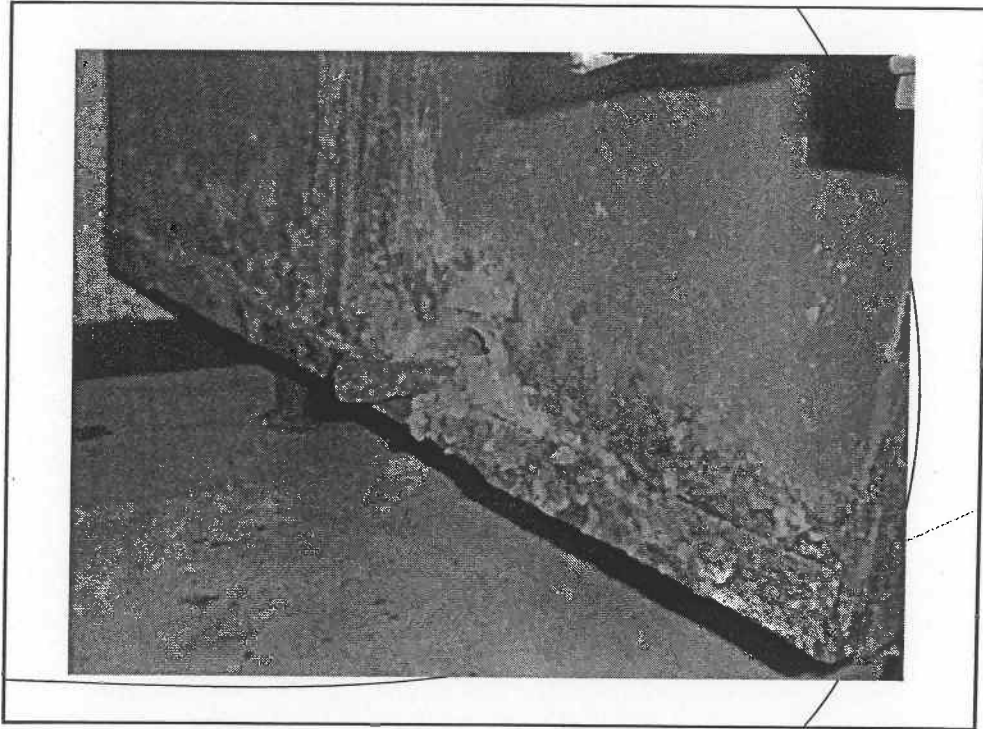
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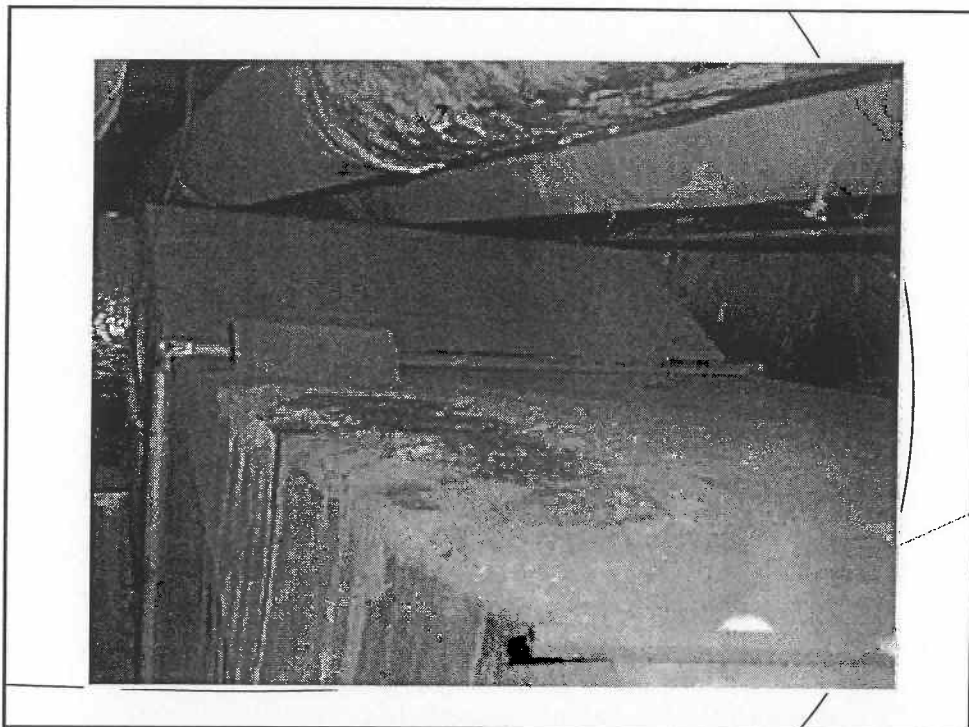
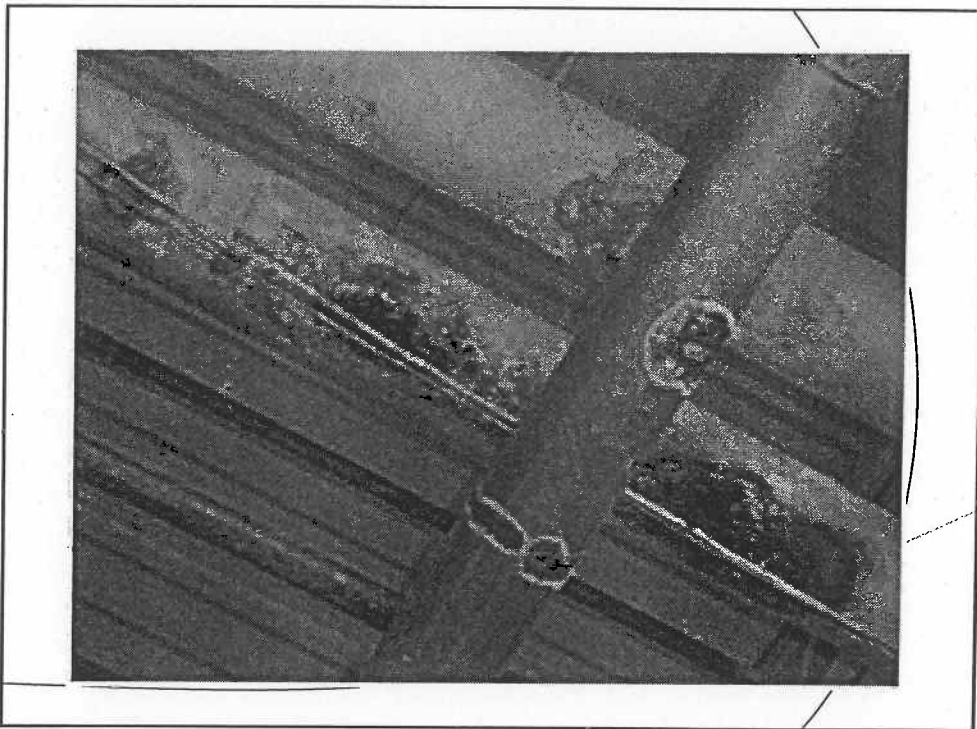
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HFDP, HBDP, CPMP, LEED AP

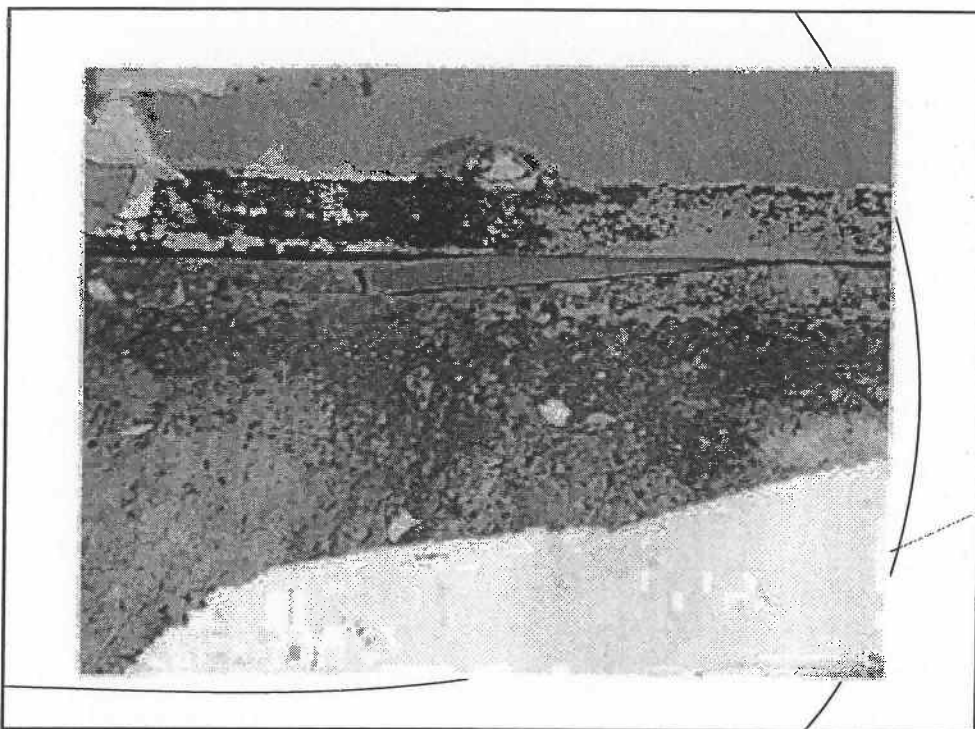
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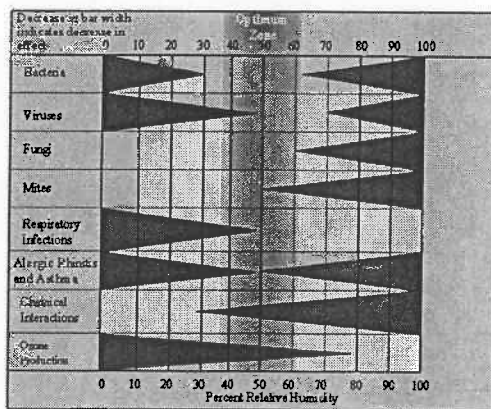








Humidity



Source: Theodor D. Stading and Associates, Ltd, Vancouver, B.C.

Tom Green & Company Engineers, Inc.

MRC N/S Chilled Water Piping Replacement

TSC B11-15

Bid Deadline: Thursday, May 26, 2011 at 2:00 P.M.

Bid Opening: Thursday, May 26, 2011 at 2:30 P.M.

Gorgas Conference Room

Date Advertised: May 9 & 16, 2011

The Brownsville Herald/Valley Morning Star

Bidder Name	Addendum #1	Bid Bond	Execution of Offer	Base Bid	Unit price/sq. ft. Acoustic Ceiling Tile	Unit price/1. f. Acoustic Ceiling Tile Grid
George Cunningham Co. Inc.	Yes	Yes	Yes	\$ 388,000	\$ 3.00	\$ 1.50

PROPOSAL FORM

Texas Southmost College District
MRCN/S Chilled Water Piping Replacement
Brownsville, Texas

TO: Texas Southmost College District
80 Fort Brown
Brownsville, Texas 78520
Attn: Ms. Patricia G. Sanchez.

DATE: JUNE 8, 2011

From: GEORGE CUNNINGHAM CO., INC.

610 N. EXPWY. 77, HARLINGEN, TX 78550

OLIVER GALUPO

(Proposer print or type name and address here)

I have received plans, details, and specifications for the project listed above as prepared by Tom Green & Company Engineers Inc.

I have also received the following Addenda and have included their provisions in my proposal.

Number 1 Dated: May 19, 2011 Number _____ Dated: _____
Number _____ Dated: _____ Number _____ Dated: _____

I have examined the documents, existing conditions and the site and submit the following proposal. In submitting the proposal, I agree:

1. To hold my proposal open for 90 days after proposal receiving date.
2. To enter into and execute a contract, if awarded on the basis of this proposal.
3. To execute the contract, if awarded, within ten (10) calendar days after notification of award.
4. To accomplish the work in accord with the Contract Documents, and in doing so, to apply the best construction practices and the necessary and appropriate construction expertise required of the work.
5. Punch list items and other requirements for Final Completion of the Work will be completed on or before thirty (30) days after the date of Substantial Completion or the date the punch list is issued, whichever is later. If work is not completed by such time, I agree to pay to the Owner additional liquidated damages of five hundred dollars (\$500.00) per day for each calendar day after such time that Final Completion is not reached.

Texas Southmost College District
MRCN/S Chilled Water Piping Replacement
Brownsville, Texas

1091.0
00400-1

BASE PROPOSAL: I will perform all the work in this project for the lump sum price of:

THREE HUNDRED EIGHTY-NINE THOUSAND TWO HUNDRED
FIFTY & NO/100..... Dollars
(\$ 389,250.00). This lump sum will include specified contingency allowance of 15%.

I will accomplish Substantial Completion of the Work within SEVENTY WORKING DAYS
(70) calendar days from the notice of commencement of the Work. (Maximum contract length is 90-days beyond formal notification to proceed.)

UNIT PRICE:

In the chilled water piping replacement process, I will replace damaged sections of the acoustic ceiling tile, in accordance with Section 01210, at a rate not to exceed:

THREE Dollars per square foot (\$ 3.00/sq.ft.), with a quantity of 3,000-sq.ft. included in my base proposal.

In the chilled water piping replacement process, I will replace damaged sections of the acoustic ceiling tile grid, in accordance with Section 01210, at a rate not to exceed:

ONE DOLLAR
& 50 CENTS Dollars per lineal foot (\$ 1.50/l.f.), with a quantity of 6,000-l.f. included in my base proposal.

ATTACHMENTS: I have included by attachment or Exhibit other documents and information required as a part of my proposal. These documents and information include, but are not necessarily limited to:

1. Proposal Security as required (Bid Bond – AIA Document A310)
2. Contractor's Qualification Statement – AIA Document A305
3. If offered, Voluntary Alternate information, prepared in accordance with Section 01230, for the Owner's consideration in its evaluation of my proposal.
4. A list of major subcontractors I propose.
5. Detailed outline of proposed schedule including all sequencing/phasing of construction activities.
6. Other information offered for the Owner's consideration of my proposal.
7. Voluntary Alternates if/as offered, refer to section 01230.

Executed on JUNE 8, 2011

Proposer GEORGE CUNNINGHAM CO., INC.

[If proposer is a corporation]

DATE: JUNE 8, 2011

By GEORGE CUNNINGHAM CO., INC. - Jerry Ann Salazar
Secretary-Treasurer

[complete the following:
Sole Owner, or Partner, or President of Corporation]
[Delete titles inapplicable to signer]

ATTEST: Jerry Ann Salazar
Whose address is:

610 N. EXPWY. 77

HARLINGEN, TX 78550

Telephone: 956-423-8437

Fax: 956-425-2473

(Corporate Seal)

Project: TSC - Chd.Wtr. Piping Replacement MRC North & South Bldg., Brownsville TX.
 Date : June 8, 2011

CORRECTED BASE PROPOSAL & VOLUNTARY ALTERNATE

Item No.	As per plans & specs. - Supply & install	Base Proposal Amt.	Voluntary Alternate / Not Stated on Plans & Specs.
I.	Piping - 2"dia. Below, Copper pipes - 2 1/2" dia. Above, Black Steel pipes		
II.	Pipe Insulation - foamglass		
III.	Control Valves w/ actuators		
IV.	Hydronic valves & accessories		
V.	Water Treatment		
VI.	Hydronic Balancing		
VI.	Contingency allowance		
	Our submitted Base Proposal Amt.	\$388,000.00	
	Note: 1. Item I & III above has been corrected from our submitted scope of work & supply.		
	Added to our submitted Base Proposal		
1	Control wire at actuators for disconnection, termination. (existing control wire & conduit will be reused at the same actuator existing location.)		
A.	15 actuators x \$ 50/actuator	\$750.00	
B.	10 flow sensors x \$ 50/sensors	\$500.00	
	Corrected Base Proposal Amt.	\$389,250.00	

Voluntary Alternates			
1	Electrical works (lighting & power) wiring, conduiting, if needs to relocate & affected w/ piping replacement., max. size 1 1/4" dia. Conduit.		\$ 8.50/ft.
2	Spot cooler/temporary cooling, if needed. A capacity of 19,000 btuh		\$ 95.00/day
3	Provide water supply for flushing, pressure test & re-filling		(by Owner)

Bid Date: 05/25/11

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that we George Cunningham Company, Inc. 610 N. Expressway 77, Harlingen, TX 78550

(Here insert full name and address or legal title of Contractor)

as Principal, hereinafter called the Principal, and RLI Insurance Company
(Here insert full name and address or legal title of Surety)

P.O. Box 3967 Peoria, IL 61612

a corporation duly organized under the laws of the State of Illinois

as Surety, hereinafter called the Surety, are held and firmly bound unto

Texas Southmost College District, 80 Ft. Brown,

(Here insert full name and address or legal title of Owner)

Brownsville, TX 78520

as Oblige, hereinafter called the Oblige, in the sum of FIVE PERCENT OF GREATEST AMOUNT BID-----

Dollars (5% OF GAB), for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

MRC N/S Chilled Water Piping Replacement

WHEREAS, the Principal has submitted a bid for Mary Rose Cardenas North and South Buildings
(Here insert full name and address and description of project)

NOW, THEREFORE, if the Oblige shall accept the bid of the Principal and the Principal shall enter into a Contract with the Oblige in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Oblige the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Oblige may in good faith contact with another party to perform the Work covered by said bid, then this obligation shall be null and void; otherwise to remain in full force and effect.

Signed and sealed this 26th day of May, 2011.

George Cunningham Company, Inc. 610 N. Expressway
77, Harlingen, TX 78550

(Principal)

(Seal)

Serry Ann Salazar

RLI Insurance Company

(Surety)

(Seal)

Becky Landry

Becky Landry

Attorney in Fact



RLI Surety
 P.O. Box 3967 | Peoria, IL 61612-3967
 Phone: (800)645-2402 | Fax: (309)689-2036
 www.rlicorp.com

POWER OF ATTORNEY

RLI Insurance Company

Know All Men by These Presents:

That the **RLI Insurance Company**, a corporation organized and existing under the laws of the State of Illinois, and authorized and licensed to do business in all states and the District of Columbia does hereby make, constitute and appoint:

Jerry D. Belcher, Becky Landry

in the City of San Antonio, State of Texas, as Attorney in Fact, with full power and authority hereby conferred upon him/her to sign, execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, all of the following classes of documents to-wit:

Indemnity, Surety and Undertakings that may be desired by contract, or may be given in any action or proceeding in any court of law or equity; policies indemnifying employers against loss or damage caused by the misconduct of their employees; official, bail and surety and fidelity bonds. Indemnify in all cases where indemnity may be lawfully given; and with full power and authority to execute consents and waivers to modify or change or extend any bond or document executed for this Company, and to compromise and settle any and all claims or demands made or existing against said Company.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of a Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the RLI Insurance Company, has caused these presents to be executed by its Vice President with its corporate seal affixed this 26th day of May, 2011.

ATTEST:

RLI Insurance Company

Cynthia S. Dohm
 Cynthia S. Dohm Assistant Secretary

By: Roy C. Die
 Roy C. Die Vice President

State of Illinois
 County of Peoria } SS

On this _____ day of _____, _____ before me, a Notary Public, personally appeared Roy C. Die and Cynthia S. Dohm, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as Vice President and Assistant Secretary, respectively, of the said RLI Insurance Company, and acknowledged said instrument to be the voluntary act and deed of said corporation.

Cherie L. Montgomery
 Cherie L. Montgomery Notary Public





RLI Insurance Company
P.O. Box 3967 Peoria, IL 61612-3967
Phone: 309-692-1000 Fax: 309-683-1610

TEXAS COMPLAINT NOTICE

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call **RLI Insurance Company's** toll free telephone number for information or to make a complaint at 800-645-2402.

You may also write to **RLI Insurance Company** at:

9025 N. Lindbergh Drive
Peoria, IL 61615
FAX # 309-683-1610

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at 1-800-252-3439.

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact **RLI Insurance Company** first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.



TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: TSC District Office	Board Meeting Date: July 28, 2011
Agenda Item: Consideration and possible action on approval of a contract with J&C Ram Masonry Construction, Inc. for the purchase of surplus brick material.	
Rationale/Background: <p>At the TSC Board meeting held on March 24th, staff requested that the Board consider declaration of remaining brick inventory as surplus property. The request originated from BISD's need for campus standard brick for the Early College High School building. The agreement between BISD and TSC requires that BISD comply with the campus design standards which include the use of specified brick color and size. According to BISD's contractor, the Early College High School project requires approximately 200,000 cored brick and 13,000 solid brick. In addition, BISD had stated that the contractor needs to place an order for the brick in the month of April in order to meet the project's schedule.</p> <p>The original brick purchase was one of the cost control strategies recommended by Broaddus & Associates, Bond Project Management firm, and implemented by the Office of Construction. TSC purchased the brick for \$0.48 for cored brick and \$0.79 for solid brick.</p> <p>TSC solicited competitive bids for the sale of surplus cored bricks and solid bricks. TSC received one bid for the purchase of 12,000 solid bricks and 0 cored bricks. Originally the bidder had expressed an interest in purchasing cored bricks, but the due to current conditions of the TSC cored bricks and the need to continue their construction timeline, an alternate source was pursued.</p>	
Recommended Action: Motion to accept the bid of 12,000 solid bricks at a purchase price of \$0.50 per brick in the amount \$6,000.00 and to authorize the Interim Vice President for Administration and Finance to execute the contract. In addition, the bidder may purchase additional solid brick at the accepted bid price of \$0.50 per brick, if needed.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A If no, explain:	
Attachments (List): 1. Bid Proposal Form	

FOR OFFICE USE ONLY:			
Board Action:	Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Tabled for action on: _____		
Certified by: _____	Title: _____	Date: _____	

BID PROPOSAL FORM

To: Texas Southmost College District
Gorgas Tower
80 Fort Brown
Brownsville, Texas 78520

I have received the **Notice of Sale** titled **Brick Material; Bid #TSC B11-12.**

I have received Addenda No. (s) #1, and I have included their provisions in my bid. I have examined the Bid Proposal package.

In submitting this bid, I agree:

1. To hold the Bid for a period of ninety (90) days after the Bid submission date.
2. To accept the provisions of the General Bid Instructions/Procedures.
3. To enter into and execute a purchase contract with Texas Southmost College District, if awarded on the basis of the Bid.
4. To comply with all terms, conditions and requirements specified in the Bid package

In compliance with the above, I propose to purchase the quantity of -0- cored bricks and/or 12,000 pcs solid bricks for the unit price of \$.50 ea. and/or \$ 6,000.00 respectively.

In submitting this Bid, I certify that J+C Ram Masonry Construction, Inc. (Buyer) has not been found guilty in a judicial or state administrative agency proceeding for unfair business practices within the year preceding the date of this statement.

Respectfully submitted,

CYA
By: Signature

Cynthia Ninojosa
Print Name

President
Title

J+C Ram Masonry Construction, Inc
Firm

3513 Los Ebanos
Address

Mission, TX 78573
City

Date MAY 13TH 2011

State Texas

Phone Number 956-585-3839





TEXAS SOUTHMOST COLLEGE DISTRICT

BOARD AGENDA REQUEST FORM

Department/Division: Finance Office	Board Meeting Date: July 28, 2011
Agenda Item: 3 rd Quarter Financial Statements and Investment Report for FY2011	
Rationale/Background: Presentation of the Fiscal Year 2011 3 rd Quarter Financial Statements and Investment Report.	
Recommended Action: For the Board's review. No action necessary.	
Fiscal Implications: Budgeted Item: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A If no, explain:	
Attachments (List): 3 rd Quarter Financial Statements and Investment Report for FY2011	

FOR OFFICE USE ONLY:
Board Action: Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Tabled for action on: _____
Certified by: _____ Title: _____ Date: _____

Texas Southmost College
SUMMARY OF NET ASSET BALANCES
From 9/1/2010 Through 5/31/2011

(In Whole Dollar)

UNRESTRICTED FOR OPERATIONS

	Ending Balance FY10	Current Period Actual Revenue and Transfers FY11	Current Period Actual Expenses and Transfers FY11	Net Change in Assets FY11	Current Period Net Asset Balance FY11
General Fund	\$ 5,912,101	\$ 38,265,526	\$ 34,917,593	\$ 3,347,933	\$ 9,260,034
Auxiliary Fund	109,945	2,308,346	1,929,269	379,077	489,022
Campus Facilities Fund	5,102,686	3,661,160	1,645,042	2,016,118	7,118,804
Restricted Parking Fund	266,799	182,784	89,920	92,864	359,663
Restricted Insurance Fund	968,229	121,242	2,180	119,062	1,087,291
Restricted Scholarship Fund	1,819,973	2,683	-	2,683	1,822,656
TOTAL FUNDS	\$ 14,179,733	\$ 44,541,741	\$ 38,584,004	\$ 5,957,737	\$ 20,137,470

RESTRICTED FOR DEBT SERVICE

	Ending Balance FY10	Current Period Actual Revenue and Transfers FY11	Current Period Actual Expenses and Transfers FY11	Net Change in Assets FY11	Current Period Net Asset Balance FY11
86/87 Tax Debt Service Fund	\$ 1,309,333	\$ -	\$ -	\$ -	\$ 1,309,333
2000 Student Union Debt Service Fund	2,127,730	1,061,994	195,200	866,794	2,994,524
2002 General Revenue Bond Debt Service Fund	730,762	338,461	137,981	200,480	931,242
2005 WRKC Debt Service Fund	4,448,293	1,855,460	693,134	1,162,326	5,610,619
2005 Tax Debt Service Fund	(130,890)	1,599,786	1,251,952	347,834	216,944
2006 Tax Debt Service Fund	26,026	1,604,840	1,052,281	552,559	578,585
2006 Maintenance Notes Tax Debt Service Fund	92,235	381,285	289,603	91,682	183,917
2007 Tax Debt Service Fund	190,105	831,814	540,808	291,006	481,111
2007 Maintenance Notes Tax Debt Service Fund	46,078	149,645	110,203	39,442	85,520
2008 Tax Debt Service Fund	143,706	184,553	84,622	99,931	243,637
2008 Maintenance Notes Tax Debt Service Fund	113,001	375,310	284,595	90,715	203,716
2009 Tax Debt Service Fund	21,781	431,563	376,739	54,824	76,605
2009 Maintenance Notes Tax Debt Service Fund	39,160	247,543	193,377	54,166	93,326
TOTAL FUNDS	\$ 9,157,320	\$ 9,062,254	\$ 5,210,495	\$ 3,851,759	\$ 11,699,747

Texas Southmost College
Statement of Revenues and Expenditures-General Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Operating Revenues				
Tuition & Fees				
Student Tuition	\$ 8,639,517	\$ 8,639,517	\$ 3,995,526	\$ (4,643,991)
Lab Fees	128,687	128,687	67,604	(61,083)
Advising Fee	1,010,000	1,010,000	379,648	(630,352)
Library Fee	846,938	846,938	380,597	(466,341)
International Education Fee	40,400	40,400	15,115	(25,285)
Medical Services Fee	433,531	433,531	166,387	(267,144)
Developmental Writing Fee	0	0	5,743	5,743
Athletic Fee	1,185,712	1,185,712	532,840	(652,872)
Designated Tuition	15,229,389	15,229,389	6,943,705	(8,285,684)
Add/Drop Fees	75,015	75,015	36,170	(38,845)
Computer Access Fees	2,941,652	2,941,652	1,254,374	(1,687,278)
Off Campus Course Fee	0	0	3,902	3,902
Remediation Fees	108,248	108,248	68,250	(39,998)
Records Fee	234,715	234,715	83,932	(150,783)
Total Tuition & Fees	\$ 30,873,804	\$ 30,873,804	\$ 13,933,793	\$ (16,940,011)
State Grants & Contracts				
Texas Grant Program	\$ 1,945,715	\$ 1,945,715	\$ 1,328,770	\$ (616,945)
Building Lease - UTB	1,359,576	1,359,576	1,019,682	(339,894)
TEOG Grant	-	-	332,116	332,116
Educational Aide Exemption	-	-	87,149	87,149
JET Grant Program	-	-	41,568	41,568
College Workstudy Program	-	-	49,769	49,769
Total State Grants & Contracts	\$ 3,305,291	\$ 3,305,291	\$ 2,859,054	\$ (446,237)
Federal Grants & Contracts				
Carl Perkins Basic Grant	\$ 434,858	\$ 434,858	\$ -	\$ (434,858)
LEAP Grant	-	-	17,530	17,530
SLEAP Grant	-	-	23,908	23,908
SLDS TSC Fixed Rate Payment	-	-	3,514	3,514
ARRA SECO	-	-	534,429	534,429
ARRA WIAStwd Energy Efficiency	-	-	129,916	129,916
Total Federal Grants & Contracts	\$ 434,858	\$ 434,858	\$ 709,297	\$ 274,439
Local Grants & Contracts				
STEMS	\$ 47,000	\$ 47,000	\$ 52,877	\$ 5,877
Criminal Justice Institute	90,000	90,000	-	(90,000)
Kids College	29,000	29,000	-	(29,000)
Child Care Parent Contribution	1,151,397	1,151,397	201,177	(950,220)
Child Care Center Income	-	-	47,947	47,947
Child Care Food Control	-	-	24,185	24,185
Total Local Grants & Contracts	\$ 1,317,397	\$ 1,317,397	\$ 326,186	\$ (991,211)

Texas Southmost College
Statement of Revenues and Expenditures-General Fund
From 9/1/2010 Through 5/31/2011

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
General Operating Revenues				
Orientation Fees	\$ 151,032	\$ 151,032	\$ -	\$ (151,032)
Total General Operating Revenues	151,032	151,032	-	(151,032)
Total Operating Revenues	\$ 36,082,382	\$ 36,082,382	\$ 17,828,330	\$ (18,254,052)
Non-Operating Revenues				
State Grants & Contracts				
THECB Appropriations	\$ 12,595,161	\$ 12,595,161	\$ 8,826,599	\$ (3,768,562)
THECB Nursing Program	-	-	238,221	238,221
Total State Grants & Contracts	\$ 12,595,161	\$ 12,595,161	\$ 9,064,820	\$ (3,530,341)
Local Tax Revenues				
Ad Valorem Taxes	\$ 10,802,771	\$ 10,802,771	\$ 10,451,585	\$ (351,186)
Total Local Tax Revenues	\$ 10,802,771	\$ 10,802,771	\$ 10,451,585	\$ (351,186)
Investment Income				
Investment Earnings	\$ 22,264	\$ 22,264	\$ 18,968	\$ (3,296)
Total Investment Income	\$ 22,264	\$ 22,264	\$ 18,968	\$ (3,296)
Other Non-Operating				
Other Income	\$ 20,536	\$ 20,536	\$ -	\$ (20,536)
Other Income - TSC	10,000	10,000	6,514	(3,486)
Total Other Non-Operating	30,536	30,536	6,514	(24,022)
Total Non-Operating Revenues	\$ 23,450,732	\$ 23,450,732	\$ 19,541,887	\$ (3,908,845)
Total REVENUES	\$ 59,533,114	\$ 59,533,114	\$ 37,370,217	\$ (22,162,897)
EXPENSES				
Operating Expenses				
Institutional Support				
Board of Trustees	\$ 58,500	\$ 186,776	\$ 137,922	\$ (48,854)
Finance Office	366,279	366,279	187,686	(178,593)
District Operations Office	152,008	152,008	96,139	(55,869)
Facilities & Planning	398,161	398,161	199,503	(198,658)
General Institution				
Attorney Fees	150,000	150,000	70,451	(79,549)
Auditor Fees	55,000	55,000	25,850	(29,150)
Cameron Appraisal District	197,653	197,653	135,627	(62,026)
Catalogs/Publications/News	500	500	0	(500)
Commencement	15,000	15,000	7,843	(7,157)
Consulting Fees	100,000	100,000	13,878	(86,122)
Contracted Services - Cleaning	20,000	20,000	0	(20,000)
Dues/Memberships	49,900	49,900	835	(49,065)
Instit. Official Functions	108,000	108,000	3,794	(104,206)
Insurance	1,224,111	1,224,111	886,776	(337,335)
Promotional/Advertising	40,000	40,000	54,505	14,505
Total General Institution	\$ 1,960,164	\$ 1,960,164	\$ 1,199,559	\$ (760,605)

Texas Southmost College
Statement of Revenues and Expenditures-General Fund
From 9/1/2010 Through 5/31/2011

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
STEMS				
STEMS Program	\$ 47,000	\$ 47,000	\$ 54,613	\$ 7,613
Total Institutional Support	<u>\$ 2,982,112</u>	<u>\$ 3,110,388</u>	<u>\$ 1,875,422</u>	<u>\$ (1,234,966)</u>
Scholarships				
TSC Trustee Scholarship	\$ 3,200,000	\$ 3,200,000	\$ 1,522,049	\$ (1,677,951)
Scorpion Scholars	95,000	95,000	54,505	(40,495)
Total Scholarships	<u>\$ 3,295,000</u>	<u>\$ 3,295,000</u>	<u>\$ 1,576,554</u>	<u>\$ (1,718,446)</u>
Contracted Services w/ UTB				
Tuition				
Student Paid Tuition	\$ 8,639,517	\$ 8,639,517	\$ 3,995,526	\$ (4,643,991)
Total Tuition	<u>\$ 8,639,517</u>	<u>\$ 8,639,517</u>	<u>\$ 3,995,526</u>	<u>\$ (4,643,991)</u>
Designated Transfers to UTB	\$ 40,602,185	\$ 40,602,185	\$ 22,691,827	\$ (17,910,358)
Additional Commitments				
VP External Affairs	71,800	71,800	30,874	(40,926)
Institutional Advancement	223,274	223,274	61,626	(161,648)
Institutional Grant Writers	262,695	262,695	108,069	(154,626)
Library Development	250,000	250,000	31,885	(218,115)
Marketing & Communications	\$ 136,752	\$ 136,752	\$ 58,622	\$ (78,130)
Total Additional Commitments	<u>\$ 944,521</u>	<u>\$ 944,521</u>	<u>\$ 291,076</u>	<u>\$ (653,445)</u>
Total Contracted Services	<u>\$ 50,186,223</u>	<u>\$ 50,186,223</u>	<u>\$ 26,978,429</u>	<u>\$ (23,207,794)</u>
Total Operating Expenses	<u>\$ 56,463,335</u>	<u>\$ 56,591,611</u>	<u>\$ 30,430,405</u>	<u>\$ (26,161,206)</u>
Total EXPENSES	<u>\$ 56,463,335</u>	<u>\$ 56,591,611</u>	<u>\$ 30,430,405</u>	<u>\$ (26,161,206)</u>
Interfund Transfers				
Transfer to Restricted Insurance	\$ 159,071	\$ 159,071	\$ 119,303	\$ (39,768)
Transfer to Auxiliary	851,847	851,847	638,885	(212,962)
Transfer to Campus Facilities	4,522,000	4,522,000	3,391,500	(1,130,500)
Transfer to General Revenue Bd	450,000	450,000	337,500	(112,500)
Transfer from Auxiliary	(1,950,199)	(1,950,199)	(895,309)	1,054,890
Total Interfund Transfers	<u>\$ 4,032,719</u>	<u>\$ 4,032,719</u>	<u>\$ 3,591,879</u>	<u>\$ (440,840)</u>
Increase/(Decrease) in Net Assets	<u>\$ (962,940)</u>	<u>\$ (1,091,216)</u>	<u>\$ 3,347,933</u>	<u>\$ 4,439,149</u>

Texas Southmost College
Statement of Revenues and Expenditures-Auxiliary Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Operating Revenues				
Tuition & Fees				
Parking Fees	\$ 300,000	\$ 300,000	\$ 181,605	\$ (118,395)
Student Services Fees	1,950,199	1,950,199	895,309	(1,054,890)
Total Tuition & Fees	<u>\$ 2,250,199</u>	<u>\$ 2,250,199</u>	<u>\$ 1,076,914</u>	<u>\$ (1,173,285)</u>
Auxiliary Enterprises				
Bookstore	\$ 158,526	\$ 158,526	\$ -	\$ (158,526)
Broadcast (US Wireless)	6,000	6,000	1,500	(4,500)
Cell on Wheels	-	-	5,036	5,036
Condominiums	496,486	496,486	294,973	(201,513)
Port Mansfield	2,400	2,400	1,600	(800)
Raymondville Facility	-	-	288,427	288,427
Total Auxiliary Enterprises	<u>\$ 663,412</u>	<u>\$ 663,412</u>	<u>\$ 591,536</u>	<u>\$ (71,876)</u>
Total Operating Revenues	<u>\$ 2,913,611</u>	<u>\$ 2,913,611</u>	<u>\$ 1,668,450</u>	<u>\$ (1,245,161)</u>
Non-Operating Revenues				
Investment Income	\$ 432	\$ 432	\$ 1,011	\$ 579
Total Investment Income	<u>\$ 432</u>	<u>\$ 432</u>	<u>\$ 1,011</u>	<u>\$ 579</u>
Total Non-Operating Revenues	<u>\$ 432</u>	<u>\$ 432</u>	<u>\$ 1,011</u>	<u>\$ 579</u>
Total REVENUES	<u>\$ 2,914,043</u>	<u>\$ 2,914,043</u>	<u>\$ 1,669,461</u>	<u>\$ (1,244,582)</u>
EXPENSES				
Operating Expenses				
Auxiliary Enterprises				
Bookstore	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Condominiums	496,486	496,486	307,281	(189,205)
Port Mansfield	20,100	20,100	1,981	(18,119)
Raymondville Facility	44,000	44,000	6,699	(37,301)
Golf Course	135,000	135,000	63,701	(71,299)
Fort Brown Memorial Center	336,045	336,045	148,660	(187,385)
Rancho Del Cielo	207,000	207,000	185,254	(21,746)
Canon del Novillo	30,000	30,000	20,400	(9,600)
General Institution	227,500	227,500	118,379	(109,121)
Total Auxiliary Enterprises	<u>\$ 1,516,131</u>	<u>\$ 1,516,131</u>	<u>\$ 852,355</u>	<u>\$ (663,776)</u>
Total Operating Expenses	<u>\$ 1,516,131</u>	<u>\$ 1,516,131</u>	<u>\$ 852,355</u>	<u>\$ (663,776)</u>
Total EXPENSES	<u>\$ 1,516,131</u>	<u>\$ 1,516,131</u>	<u>\$ 852,355</u>	<u>\$ (663,776)</u>
Interfund Transfers				
Transfer to Restricted Parking	\$ 300,000	\$ 300,000	\$ 181,605	\$ (118,395)
Transfer To General	1,950,199	1,950,199	895,309	(1,054,890)
Transfer from General	<u>(851,847)</u>	<u>(851,847)</u>	<u>(638,885)</u>	<u>212,962</u>
Total Interfund Transfers	<u>\$ 1,398,352</u>	<u>\$ 1,398,352</u>	<u>\$ 438,029</u>	<u>\$ (960,323)</u>
Increase/(Decrease) in Net Assets	<u>\$ (440)</u>	<u>\$ (440)</u>	<u>\$ 379,077</u>	<u>\$ 379,517</u>

Texas Southmost College
Statement of Revenues and Expenditures-Campus Facilities
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Operating Revenues				
Donations	\$ 360,000	\$ 360,000	\$ 256,754	\$ (103,246)
Total Operating Revenues	<u>\$ 360,000</u>	<u>\$ 360,000</u>	<u>\$ 256,754</u>	<u>\$ (103,246)</u>
Non-Operating Revenues				
Investment Income	\$ 10,095	\$ 10,095	\$ 12,906	\$ 2,811
Total Non-Operating Revenues	<u>10,095</u>	<u>10,095</u>	<u>12,906</u>	<u>2,811</u>
Total Revenues	<u>\$ 370,095</u>	<u>\$ 370,095</u>	<u>\$ 269,660</u>	<u>\$ (100,435)</u>
EXPENSES				
Operating Expenses				
Maintenance & Operations				
Campus Improvements	\$ 2,368,000	\$ 2,368,000	\$ 534,242	\$ (1,833,758)
Campus Infrastructure	100,000	100,000	70,991	(29,009)
Historic Restorations	125,000	125,000	47,792	(77,208)
Total Maintenance and Operations	<u>\$ 2,593,000</u>	<u>\$ 2,593,000</u>	<u>\$ 653,025</u>	<u>\$ (1,939,975)</u>
Capital Construction				
Commissary	\$ 65,000	\$ 65,000	\$ 39,396	\$ (25,604)
Cavalry	525,000	525,000	246,003	(278,997)
Student Health	45,000	45,000	82,799	37,799
Bond Projects (FY11 Oliveira Library)	465,000	465,000	244,813	(220,187)
REK Center	80,000	208,800	149,338	(59,462)
Athletic Zone	924,000	329,000	34,660	(294,340)
Total Capital Construction	<u>\$ 2,104,000</u>	<u>\$ 1,637,800</u>	<u>\$ 797,009</u>	<u>\$ (840,791)</u>
Acquisitions				
Property Acquisitions	\$ 1,000,000	\$ 1,000,000	\$ 195,008	\$ (804,992)
Total Property Acquisitions	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 195,008</u>	<u>\$ (804,992)</u>
Total Operating Expenses	<u>\$ 5,697,000</u>	<u>\$ 5,230,800</u>	<u>\$ 1,645,042</u>	<u>\$ (2,780,766)</u>
Total EXPENSES	<u>\$ 5,697,000</u>	<u>\$ 5,230,800</u>	<u>\$ 1,645,042</u>	<u>\$ (3,585,758)</u>
Interfund Transfers				
Transfer from General	\$ (4,522,000)	\$ (4,522,000)	\$ (3,391,500)	\$ 1,130,500
Total Interfund Transfers	<u>\$ (4,522,000)</u>	<u>\$ (4,522,000)</u>	<u>\$ (3,391,500)</u>	<u>\$ 1,130,500</u>
Increase/(Decrease) in Net Assets	<u>\$ (804,905)</u>	<u>\$ (338,705)</u>	<u>\$ 2,016,118</u>	<u>\$ 2,354,823</u>

Texas Southmost College
Statement of Revenues and Expenditures-Restricted Parking Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Investment Income	\$ 1,908	\$ 1,908	\$ 340	\$ (1,568)
Total Non-Operating Revenues	<u>\$ 1,908</u>	<u>\$ 1,908</u>	<u>\$ 340</u>	<u>\$ (1,568)</u>
Total REVENUES	<u>\$ 1,908</u>	<u>\$ 1,908</u>	<u>\$ 340</u>	<u>\$ (1,568)</u>
EXPENSES				
Operating Expenses				
Maintenance & Operations				
Parking Fees	\$ 7,800	\$ 7,800	\$ 7,800	\$ -
Parking Projects	<u>300,000</u>	<u>300,000</u>	<u>82,120</u>	<u>(217,880)</u>
Total Maintenance & Operations	<u>\$ 307,800</u>	<u>\$ 307,800</u>	<u>\$ 89,920</u>	<u>\$ (217,880)</u>
Capital Construction Projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>\$ 307,800</u>	<u>\$ 307,800</u>	<u>\$ 89,920</u>	<u>\$ (217,880)</u>
Total EXPENSES	<u>\$ 307,800</u>	<u>\$ 307,800</u>	<u>\$ 89,920</u>	<u>\$ (217,880)</u>
Interfund Transfers				
Transfer from Auxiliary	\$ (300,000)	\$ (300,000)	\$ (182,444)	\$ 117,556
Total Interfund Transfers	<u>\$ (300,000)</u>	<u>\$ (300,000)</u>	<u>\$ (182,444)</u>	<u>\$ 117,556</u>
Increase/(Decrease) in Net Assets	<u>\$ (5,892)</u>	<u>\$ (5,892)</u>	<u>\$ 92,864</u>	<u>\$ 98,756</u>

Texas Southmost College
Statement of Revenues and Expenditures-Restricted Insurance Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Investment Income	\$ 2,787	\$ 2,787	\$ 1,939	\$ (848)
Total Non-Operating Revenues	<u>\$ 2,787</u>	<u>\$ 2,787</u>	<u>\$ 1,939</u>	<u>\$ (848)</u>
Total REVENUES	<u>\$ 2,787</u>	<u>\$ 2,787</u>	<u>\$ 1,939</u>	<u>\$ (848)</u>
EXPENSES				
Operating Expenses				
Operation & Maintenance of Plant	\$ 225,000	\$ 225,000	\$ 2,180	\$ (222,820)
Total Operation & Maintenance of Plant	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ 2,180</u>	<u>\$ (222,820)</u>
Total EXPENSES	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ 2,180</u>	<u>\$ (222,820)</u>
Interfund Transfers				
Transfer from General	\$ (159,071)	\$ (159,071)	\$ (119,303)	\$ 39,768
Total Interfund Transfers	<u>\$ (159,071)</u>	<u>\$ (159,071)</u>	<u>\$ (119,303)</u>	<u>\$ 39,768</u>
Increase/(Decrease) in Net Assets	<u>\$ (63,142)</u>	<u>\$ (63,142)</u>	<u>\$ 119,062</u>	<u>\$ 182,204</u>

Texas Southmost College
Statement of Revenues and Expenditures-Restricted Scholarship Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Investment Income	\$ 3,429	\$ 3,429	\$ 2,683	\$ (746)
Total Non-Operating Revenues	<u>\$ 3,429</u>	<u>\$ 3,429</u>	<u>\$ 2,683</u>	<u>\$ (746)</u>
Total REVENUES	<u>\$ 3,429</u>	<u>\$ 3,429</u>	<u>\$ 2,683</u>	<u>\$ (746)</u>
EXPENSES				
Operating Expenses				
Scholarships	\$ -	\$ -	\$ -	\$ -
Total Scholarships	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Interfund Transfers				
Transfer from General	\$ -	\$ -	\$ -	\$ -
Total Interfund Transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Increase/(Decrease) in Net Assets	<u>\$ 3,429</u>	<u>\$ 3,429</u>	<u>\$ 2,683</u>	<u>\$ (746)</u>

Texas Southmost College
Statement of Revenues and Expenditures-2000 Student Union Revenue Bond
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Operating Revenues				
Tuition & Fees				
Student Union Fees	\$ 1,241,628	\$ 1,241,628	\$ 1,058,235	\$ (183,393)
Total Tuition & Fees	<u>\$ 1,241,628</u>	<u>\$ 1,241,628</u>	<u>\$ 1,058,235</u>	<u>\$ (183,393)</u>
Total Operating Revenues	<u>\$ 1,241,628</u>	<u>\$ 1,241,628</u>	<u>\$ 1,058,235</u>	<u>\$ (183,393)</u>
Non-Operating Revenues				
Investment Income	\$ 5,985	\$ 5,985	\$ 3,759	\$ (2,226)
Total Investment Income	<u>\$ 5,985</u>	<u>\$ 5,985</u>	<u>\$ 3,759</u>	<u>\$ (2,226)</u>
Total Non-Operating Revenues	<u>\$ 5,985</u>	<u>\$ 5,985</u>	<u>\$ 3,759</u>	<u>\$ (2,226)</u>
Total REVENUES	<u>\$ 1,247,613</u>	<u>\$ 1,247,613</u>	<u>\$ 1,061,994</u>	<u>\$ (185,619)</u>
EXPENSES				
Operating Expenses				
Maintenance & Operations				
Consulting-Architect/Engineer	\$ -	\$ 56,210	\$ 40,180	\$ (16,030)
Total Maintenance & Operations	<u>\$ -</u>	<u>\$ 56,210</u>	<u>\$ 40,180</u>	<u>\$ (16,030)</u>
Institutional Support				
Fiscal Agent Fees	\$ 6,750	\$ 6,750	\$ 5,100	\$ (1,650)
Total Institutional Support	<u>\$ 6,750</u>	<u>\$ 6,750</u>	<u>\$ 5,100</u>	<u>\$ (1,650)</u>
Contracted Services				
Designated Student Union Fees	\$ 509,788	\$ 509,788	\$ -	\$ (509,788)
Total Contracted Services	<u>\$ 509,788</u>	<u>\$ 509,788</u>	<u>\$ -</u>	<u>\$ (509,788)</u>
Total Operating Expenses	<u>\$ 516,538</u>	<u>\$ 572,748</u>	<u>\$ 45,280</u>	<u>\$ (527,468)</u>
Non-Operating Expenses				
Debt Service				
Interest on Capital	\$ 299,840	\$ 299,840	\$ 149,920	\$ (149,920)
Principal on Capital	370,000	370,000	-	(370,000)
Total Debt Service	<u>\$ 669,840</u>	<u>\$ 669,840</u>	<u>\$ 149,920</u>	<u>\$ (519,920)</u>
Total Non-Operating Expenses	<u>\$ 669,840</u>	<u>\$ 669,840</u>	<u>\$ 149,920</u>	<u>\$ (519,920)</u>
Total EXPENSES	<u>\$ 1,186,378</u>	<u>\$ 1,242,588</u>	<u>\$ 195,200</u>	<u>\$ (1,047,388)</u>
 Increase/(Decrease) in Net Assets	 <u>\$ 61,235</u>	 <u>\$ 5,025</u>	 <u>\$ 866,794</u>	 <u>\$ 861,769</u>

Texas Southmost College
Statement of Revenues and Expenditures-2002 General Revenue Bond
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Investment Income				
Investment Earnings	\$ 2,137	\$ 2,137	\$ 961	\$ (1,176)
Total Investment Income	\$ 2,137	\$ 2,137	\$ 961	\$ (1,176)
Total Non-Operating Revenues	\$ 2,137	\$ 2,137	\$ 961	\$ (1,176)
Total REVENUES	\$ 2,137	\$ 2,137	\$ 961	\$ (1,176)
EXPENSES				
Operating Expenses				
Fiscal Agent Fees	\$ 6,250	\$ 6,250	\$ 4,700	\$ (1,550)
Total Operating Expenses	\$ 6,250	\$ 6,250	\$ 4,700	\$ (1,550)
Non-Operating Expenses				
Debt Service				
Interest on Capital	\$ 266,561	\$ 266,561	\$ 133,281	\$ (133,280)
Principal on Capital	180,000	180,000	-	(180,000)
Total Debt Service	\$ 446,561	\$ 446,561	\$ 133,281	\$ (313,280)
Total Non-Operating Expenses	\$ 446,561	\$ 446,561	\$ 133,281	\$ (313,280)
Total EXPENSES	\$ 452,811	\$ 452,811	\$ 137,981	\$ (314,830)
Interfund Transfers				
Transfer from General	\$ (450,000)	\$ (450,000)	\$ (337,500)	\$ 112,500
Transfer to Campus Facilities	-	-	-	-
Total Interfund Transfers	\$ (450,000)	\$ (450,000)	\$ (337,500)	\$ 112,500
Increase/(Decrease) in Net Assets	\$ (674)	\$ (674)	\$ 200,480	\$ 201,154

Texas Southmost College
Statement of Revenues and Expenditures-2005 REK Center Revenue Bond
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Operating Revenues				
Tuition & Fees				
Student Recreation Fee	\$ 2,165,312	\$ 2,165,312	\$ 1,845,756	\$ (319,556)
Total Tuition & Fees	<u>\$ 2,165,312</u>	<u>\$ 2,165,312</u>	<u>\$ 1,845,756</u>	<u>\$ (319,556)</u>
Total Operating Revenues	<u>\$ 2,165,312</u>	<u>\$ 2,165,312</u>	<u>\$ 1,845,756</u>	<u>\$ (319,556)</u>
Non-Operating Revenues				
Investment Income				
Investment Earnings	\$ 10,778	\$ 10,778	\$ 9,704	\$ (1,074)
Total Investment Income	<u>\$ 10,778</u>	<u>\$ 10,778</u>	<u>\$ 9,704</u>	<u>\$ (1,074)</u>
Total Non-Operating Revenues	<u>\$ 10,778</u>	<u>\$ 10,778</u>	<u>\$ 9,704</u>	<u>\$ (1,074)</u>
Total REVENUES	<u>\$ 2,176,090</u>	<u>\$ 2,176,090</u>	<u>\$ 1,855,460</u>	<u>\$ (320,630)</u>
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	\$ 6,500	\$ 6,500	\$ 4,700	\$ (1,800)
Total Institutional Support	<u>\$ 6,500</u>	<u>\$ 6,500</u>	<u>\$ 4,700</u>	<u>\$ (1,800)</u>
Contracted Services				
Designated Transfers to UTB	\$ 1,186,782	\$ 1,186,782	\$ 396,668	\$ (790,114)
Total Contracted Services	<u>\$ 1,186,782</u>	<u>\$ 1,186,782</u>	<u>\$ 396,668</u>	<u>\$ (790,114)</u>
Total Operating Expenses	<u>\$ 1,193,282</u>	<u>\$ 1,193,282</u>	<u>\$ 401,368</u>	<u>\$ (791,914)</u>
Non-Operating Expenses				
Debt Service				
Interest on Capital	\$ 583,531	\$ 583,531	\$ 291,766	\$ (291,765)
Principal on Capital	395,000	395,000	-	(395,000)
Total Debt Service	<u>\$ 978,531</u>	<u>\$ 978,531</u>	<u>\$ 291,766</u>	<u>\$ (686,765)</u>
Total Non-Operating Expenses	<u>\$ 978,531</u>	<u>\$ 978,531</u>	<u>\$ 291,766</u>	<u>\$ (686,765)</u>
Total EXPENSES	<u>\$ 2,171,813</u>	<u>\$ 2,171,813</u>	<u>\$ 693,134</u>	<u>\$ (1,478,679)</u>
Increase/(Decrease) in Net Assets	<u>\$ 4,277</u>	<u>\$ 4,277</u>	<u>\$ 1,162,326</u>	<u>\$ 1,158,049</u>

Texas Southmost College
Statement of Revenues and Expenditures-2005 Tax Debt Service Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 1,610,016	\$ 1,610,016	\$ 1,598,782	\$ (11,234)
Investment Income	1,209	1,209	1,004	(205)
Total Non-Operating Revenues	<u>\$ 1,611,225</u>	<u>\$ 1,611,225</u>	<u>\$ 1,599,786</u>	<u>\$ (11,439)</u>
Total REVENUES	<u>\$ 1,611,225</u>	<u>\$ 1,611,225</u>	<u>\$ 1,599,786</u>	<u>\$ (11,439)</u>
EXPENSES				
Operating Expenses				
Fiscal Agent Fees	\$ 4,300	\$ 4,300	\$ 1,889	\$ (2,411)
Total Operating Expenses	<u>\$ 4,300</u>	<u>\$ 4,300</u>	<u>\$ 1,889</u>	<u>\$ (2,411)</u>
Non-Operating Expenses				
Debt Service				
Interest on Capital	\$ 726,925	\$ 726,925	\$ 370,063	\$ (356,862)
Principal on Capital	880,000	880,000	880,000	-
Total Debt Service	<u>\$ 1,606,925</u>	<u>\$ 1,606,925</u>	<u>\$ 1,250,063</u>	<u>\$ (356,862)</u>
Total Non-Operating Expenses	<u>\$ 1,606,925</u>	<u>\$ 1,606,925</u>	<u>\$ 1,250,063</u>	<u>\$ (356,862)</u>
Total EXPENSES	<u>\$ 1,611,225</u>	<u>\$ 1,611,225</u>	<u>\$ 1,251,952</u>	<u>\$ (359,273)</u>
Increase/(Decrease) in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 347,834</u>	<u>\$ 347,834</u>

Texas Southmost College
Statement of Revenues and Expenditures-2006 Tax Debt Service
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 1,609,526	\$ 1,609,526	\$ 1,603,529	\$ (5,997)
Investment Income				
Investment Earnings	1,508	1,508	1,311	(197)
Total Investment Income	\$ 1,508	\$ 1,508	\$ 1,311	\$ (197)
Total Non-Operating Revenues	\$ 1,611,034	\$ 1,611,034	\$ 1,604,840	\$ (6,194)
Total REVENUES	\$ 1,611,034	\$ 1,611,034	\$ 1,604,840	\$ (6,194)
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	\$ 3,750	\$ 3,750	\$ 1,289	\$ (2,461)
Total Operating Expenses	\$ 3,750	\$ 3,750	\$ 1,289	\$ (2,461)
Non-Operating Expenses				
Principal on Capital	485,000	485,000	485,000	-
Interest on Capital	1,122,284	1,122,284	565,992	(556,292)
Total Interest on Capital	\$ 1,607,284	\$ 1,607,284	\$ 1,050,992	\$ (556,292)
Total Non-Operating Expenses	\$ 1,607,284	\$ 1,607,284	\$ 1,050,992	\$ (556,292)
Total EXPENSES	\$ 1,611,034	\$ 1,611,034	\$ 1,052,281	\$ (558,753)
Increase/(Decrease) in Net Assets	\$ -	\$ -	\$ 552,559	\$ 552,559

Texas Southmost College
Statement of Revenues and Expenditures-2006 Maintenance Tax Debt Service
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 380,228	\$ 380,228	\$ 381,036	\$ 808
Investment Income				
Investment Earnings	750	750	249	(501)
Total Investment Income	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 249</u>	<u>\$ (501)</u>
Total Non-Operating Revenues	<u>\$ 380,978</u>	<u>\$ 380,978</u>	<u>\$ 381,285</u>	<u>\$ 307</u>
Total REVENUES	<u>\$ 380,978</u>	<u>\$ 380,978</u>	<u>\$ 381,285</u>	<u>\$ 307</u>
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	\$ 3,250	\$ 3,250	\$ 1,289	\$ (1,961)
Total Operating Expenses	<u>\$ 3,250</u>	<u>\$ 3,250</u>	<u>\$ 1,289</u>	<u>\$ (1,961)</u>
Non-Operating Expenses				
Interest on Capital	\$ 182,728	\$ 182,728	\$ 93,314	\$ (89,414)
Principal on Capital	195,000	195,000	195,000	-
Total Non-Operating Expenses	<u>\$ 377,728</u>	<u>\$ 377,728</u>	<u>\$ 288,314</u>	<u>\$ (89,414)</u>
Total EXPENSES	<u>\$ 380,978</u>	<u>\$ 380,978</u>	<u>\$ 289,603</u>	<u>\$ (91,375)</u>
Increase/(Decrease) in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,682</u>	<u>\$ 91,682</u>

Texas Southmost College
Statement of Revenues and Expenditures-2007 Tax Debt Service
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 830,861	\$ 830,861	\$ 831,112	\$ 251
Investment Income				
Investment Earnings	<u>1,072</u>	<u>1,072</u>	<u>702</u>	<u>(370)</u>
Total Investment Income	<u>\$ 1,072</u>	<u>\$ 1,072</u>	<u>\$ 702</u>	<u>\$ (370)</u>
Total Non-Operating Revenues	<u>\$ 831,933</u>	<u>\$ 831,933</u>	<u>\$ 831,814</u>	<u>\$ (119)</u>
Total REVENUES	<u>\$ 831,933</u>	<u>\$ 831,933</u>	<u>\$ 831,814</u>	<u>\$ (119)</u>
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 989</u>	<u>\$ (1,511)</u>
Total Operating Expenses	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 989</u>	<u>\$ (1,511)</u>
Non-Operating Expenses				
Interest on Capital	\$ 584,433	\$ 584,433	\$ 294,819	\$ (289,614)
Principal on Capital	<u>245,000</u>	<u>245,000</u>	<u>245,000</u>	<u>-</u>
Total Non-Operating Expenses	<u>\$ 829,433</u>	<u>\$ 829,433</u>	<u>\$ 539,819</u>	<u>\$ (289,614)</u>
Total EXPENSES	<u>\$ 831,933</u>	<u>\$ 831,933</u>	<u>\$ 540,808</u>	<u>\$ (291,125)</u>
Increase/(Decrease) in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 291,006</u>	<u>\$ 291,006</u>

Texas Southmost College
Statement of Revenues and Expenditures-2007 Maintenance Tax Notes
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 149,287	\$ 149,287	\$ 149,548	\$ 261
Investment Income				
Investment Earnings	<u>153</u>	<u>153</u>	<u>97</u>	<u>(56)</u>
Total Investment Income	<u>\$ 153</u>	<u>\$ 153</u>	<u>\$ 97</u>	<u>\$ (56)</u>
Total Non-Operating Revenues	<u>\$ 149,440</u>	<u>\$ 149,440</u>	<u>\$ 149,645</u>	<u>\$ 205</u>
Total REVENUES	<u>\$ 149,440</u>	<u>\$ 149,440</u>	<u>\$ 149,645</u>	<u>\$ 205</u>
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 989</u>	<u>\$ (1,511)</u>
Total Institutional Support	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 989</u>	<u>\$ (1,511)</u>
Total Operating Expenses	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 989</u>	<u>\$ (1,511)</u>
Non-Operating Expenses				
Interest on Capital	\$ 76,940	\$ 76,940	\$ 39,214	\$ (37,726)
Principal on Capital	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Total Non-Operating Expenses	<u>\$ 146,940</u>	<u>\$ 146,940</u>	<u>\$ 109,214</u>	<u>\$ (37,726)</u>
Total EXPENSES	<u>\$ 149,440</u>	<u>\$ 149,440</u>	<u>\$ 110,203</u>	<u>\$ (39,237)</u>
Increase/(Decrease) in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,442</u>	<u>\$ 39,442</u>

Texas Southmost College
Statement of Revenues and Expenditures-2008 Tax Debt Service
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 168,245	\$ 168,245	\$ 184,363	\$ 16,118
Investment Income				
Investment Earnings	1,521	1,521	190	(1,331)
Total Investment Income	\$ 1,521	\$ 1,521	\$ 190	\$ (1,331)
Total Non-Operating Revenues	\$ 169,766	\$ 169,766	\$ 184,553	\$ 14,787
Total REVENUES	\$ 169,766	\$ 169,766	\$ 184,553	\$ 14,787
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	\$ 2,500	\$ 2,500	\$ 989	\$ (1,511)
Total Operating Expenses	\$ 2,500	\$ 2,500	\$ 989	\$ (1,511)
Non-Operating Expenses				
Interest on Capital	\$ 167,266	\$ 167,266	\$ 83,633	\$ (83,633)
Principal on Capital	-	-	-	-
Total Non-Operating Expenses	\$ 167,266	\$ 167,266	\$ 83,633	\$ (83,633)
Total EXPENSES	\$ 169,766	\$ 169,766	\$ 84,622	\$ (85,144)
Increase/(Decrease) in Net Assets	\$ -	\$ -	\$ 99,931	\$ 99,931

Texas Southmost College
Statement of Revenues and Expenditures-2008 Maintenance Tax Notes Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 380,369	\$ 380,369	\$ 375,067	\$ (5,302)
Investment Income				
Investment Earnings	644	644	243	(401)
Total Investment Income	\$ 644	\$ 644	\$ 243	\$ (401)
Total Non-Operating Revenues	\$ 381,013	\$ 381,013	\$ 375,310	\$ (5,703)
Total REVENUES	\$ 381,013	\$ 381,013	\$ 375,310	\$ (5,703)
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	\$ 2,500	\$ 2,500	\$ 989	\$ (1,511)
Total Institutional Support	\$ 2,500	\$ 2,500	\$ 989	\$ (1,511)
Total Operating Expenses	\$ 2,500	\$ 2,500	\$ 989	\$ (1,511)
Non-Operating Expenses				
Interest on Capital	\$ 193,513	\$ 193,513	\$ 98,606	\$ (94,907)
Principal on Capital	185,000	185,000	185,000	-
Total Non-Operating Expenses	\$ 378,513	\$ 378,513	\$ 283,606	\$ (94,907)
Total EXPENSES	\$ 381,013	\$ 381,013	\$ 284,595	\$ (96,418)
Increase/(Decrease) in Net Assets	\$ -	\$ -	\$ 90,715	\$ 90,715

Texas Southmost College
Statement of Revenues and Expenditures-2009 Tax Debt Service
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 432,623	\$ 432,623	\$ 431,298	\$ (1,325)
Investment Income				
Investment Earnings	<u>4,277</u>	<u>4,277</u>	<u>265</u>	<u>(4,012)</u>
Total Investment Income	<u>\$ 4,277</u>	<u>\$ 4,277</u>	<u>\$ 265</u>	<u>\$ (4,012)</u>
Total Non-Operating Revenues	<u>\$ 436,900</u>	<u>\$ 436,900</u>	<u>\$ 431,563</u>	<u>\$ (5,337)</u>
Total REVENUES	<u>\$ 436,900</u>	<u>\$ 436,900</u>	<u>\$ 431,563</u>	<u>\$ (5,337)</u>
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 1,064</u>	<u>\$ 864</u>
Total Operating Expenses	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 1,064</u>	<u>\$ 864</u>
Non-Operating Expenses				
Interest on Capital	\$ 126,700	\$ 126,700	\$ 65,675	\$ (61,025)
Principal on Capital	<u>310,000</u>	<u>310,000</u>	<u>310,000</u>	<u>-</u>
Total Non-Operating Expenses	<u>\$ 436,700</u>	<u>\$ 436,700</u>	<u>\$ 375,675</u>	<u>\$ (61,025)</u>
Total EXPENSES	<u>\$ 436,900</u>	<u>\$ 436,900</u>	<u>\$ 376,739</u>	<u>\$ (60,161)</u>
Increase/(Decrease) in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,824</u>	<u>\$ 54,824</u>

Texas Southmost College
Statement of Revenues and Expenditures-2009 Maintenance Tax Notes Fund
From 9/1/2010 Through 5/31/2011

(In Whole Numbers)

	Total Original Budget	Total Budget Revised	Current Period Actual	YTD Revised Budget Variance
REVENUES				
Non-Operating Revenues				
Local Tax Revenues	\$ 252,424	\$ 252,424	\$ 247,394	\$ (5,030)
Investment Income				
Investment Earnings	451	451	149	(302)
Total Investment Income	\$ 451	\$ 451	\$ 149	\$ (302)
Total Non-Operating Revenues	\$ 252,875	\$ 252,875	\$ 247,543	\$ (5,332)
Total REVENUES	\$ 252,875	\$ 252,875	\$ 247,543	\$ (5,332)
EXPENSES				
Operating Expenses				
Institutional Support				
Fiscal Agent Fees	\$ 200	\$ 200	\$ 1,064	\$ 864
Total Institutional Support	\$ 200	\$ 200	\$ 1,064	\$ 864
Total Operating Expenses	\$ 200	\$ 200	\$ 1,064	\$ 864
Non-Operating Expenses				
Principal on Capital	\$ 130,000	\$ 130,000	\$ 130,000	\$ -
Interest on Capital	122,675	122,675	62,313	(60,362)
Total Non-Operating Expenses	\$ 252,675	\$ 252,675	\$ 192,313	\$ (60,362)
Total EXPENSES	\$ 252,875	\$ 252,875	\$ 193,377	\$ (59,498)
Increase/(Decrease) in Net Assets	\$ -	\$ -	\$ 54,166	\$ 54,166

TEXAS SOUTHMOST COLLEGE DISTRICT
INVESTMENT REPORT
FOR QUARTER ENDED
MAY 2011

RETIREMENT OF INDEBTEDNESS

Instrument	Book Value 2/28/2011	Book Value 2/28/2011	Book Value 5/31/2011	Book Value 5/31/2011	Avg. Yield	Maturity	Interest Earned
TSC Debt Service Fund	\$208,239.28	\$208,239.28	\$208,368.69	\$208,368.69	0.221%	N/A	\$129.41
TSC 1987 Tax Debt Service Fund	\$449,957.16	\$449,957.16	\$456,346.10	\$456,346.10	0.221%	N/A	\$281.62
TSC 2005 Tax Debt Service Fund	\$210,655.79	\$210,655.79	\$371,077.90	\$371,077.90	0.221%	N/A	\$195.64
TSC 2005 WRKC Debt Service Fund	\$4,983,844.49	\$4,983,844.49	\$5,511,687.49	\$5,511,687.49	0.221%	N/A	\$3,164.78
TSC 2006 Tax Debt Service	\$497,947.13	\$497,947.13	\$626,306.66	\$626,306.66	0.221%	N/A	\$364.78
TSC 2007 Tax Debt Service	\$269,816.47	\$269,816.47	\$355,044.76	\$355,044.76	0.221%	N/A	\$201.90
TSC 2008 Tax Debt Service	\$97,170.96	\$97,170.96	\$120,521.02	\$120,521.02	0.221%	N/A	\$69.21
TSC 2009 Tax Debt Service	\$30,059.72	\$30,059.72	\$72,205.03	\$72,205.03	0.221%	N/A	\$36.09
TSC 2006 Maintenance Tax Debt Service	\$60,284.47	\$60,284.47	\$99,146.57	\$99,146.57	0.221%	N/A	\$53.12
TSC 2007 Maintenance Tax Debt Service	\$24,734.95	\$24,734.95	\$39,786.31	\$39,786.31	0.221%	N/A	\$21.50
TSC 2008 Maintenance Tax Debt Service	\$53,854.73	\$53,854.73	\$124,955.78	\$124,955.78	0.221%	N/A	\$58.46
TSC 2009 Maintenance Tax Debt Service	\$30,905.23	\$30,905.23	\$54,445.24	\$54,445.24	0.221%	N/A	\$28.97
TSC Student Union Bldg Fees	\$1,878,396.06	\$1,878,396.06	\$2,365,837.95	\$2,365,837.95	0.221%	N/A	\$1,221.32
							<u>\$5,826.80</u>

AGENCY FUNDS

Instrument	Book Value 2/28/2011	Book Value 2/28/2011	Book Value 5/31/2011	Book Value 5/31/2011	Avg. Yield	Maturity	Interest Earned
TSC Alumni Association	\$10,724.06	\$10,724.06	\$10,730.72	\$10,730.72	0.221%	N/A	\$6.66
							<u>\$6.66</u>

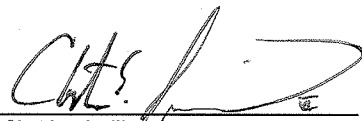
TOTAL INTEREST EARNED THIS QUARTER


\$18,712.58

Note: All investments are in accordance with the stated strategies, District Board Investment Policy 4.60, and relevant provisions of the law.

Interest Summary

FUNDS	Earned 1st Qtr	Earned 2nd Qtr	Earned 3rd Qtr	Earned 4th Qtr
Current Funds	\$5,012.84	\$7,600.64	\$7,365.50	
Loan Funds	\$23.98	\$23.37	\$22.78	
Endowment & Similar Funds	\$5.55	\$5.22	\$5.29	
Plant Funds	\$13,313.28	\$13,126.29	\$11,312.35	
Agency Funds	\$7.02	\$6.83	\$6.66	
TOTAL	\$18,362.67	\$20,762.35	\$18,712.58	


Chet Lewis, III
Interim Vice President for Administration
and Finance


Nancy Saldaña
Director of Finance