

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT

August 8, 2006

The Regular Meeting of the Board of Regents of the Del Mar College District convened in the Isensee Board Room, Harvin Student Center, Del Mar College East Campus, Baldwin and Ayers, Corpus Christi, Texas, at 1:02 p.m. on Tuesday, August 8, 2006, with the following present:

From the Board:

Mr. Gabriel Rivas III, President; Mrs. Minerva Arriaga, Dr. Haysam Dawod, Mrs. Olga Gonzales, Mr. Bill Martin, Mr. Trey McCampbell, and Mr. Guy Watts (arrived at 1:28 p.m.).

From the College:

Dr. Carlos A. Garcia, College President; Mr. Joe Alaniz, Vice President, Business and Finance; Mr. José Rivera, Vice President of Student Development; Dr. Blanca “Rosie” Garcia, Vice President of Instruction; Ms. Susie Kaspar, Executive Administrative Assistant to the President; and other administrators, faculty, and staff.

From the Attorney’s Office:

Mr. Augustin Rivera, Jr.

Others:

Representatives from the Eagle’s Lodge, Corpus Christi Masonic Lodge, and Al Almin Temple.

CALL TO ORDER/QUORUM CALL/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE

Mr. Gabriel Rivas, Board President, called the meeting to order. With a quorum present, he requested a moment of silence followed by recitation of the Pledge of Allegiance.

RECOGNITION/AWARDS AND INNOVATION

None.

PUBLIC COMMENTS –3- or 5-Minute Time Limit

Ms. Susan Sturman asked for special consideration for non-profit organizations who use Richardson Performance Hall.

Ms. Shari Stoops requested that the Board not address the petition calling for a moratorium on realignment in that the petition signatures represent a small percentage of faculty.

Ms. Bertie Almendarez expressed support for the realignment, stating that most decisions were made by committees and driven by a need to better serve students. She asked the Board to allow President Garcia to move forward.

Mr. Ken Weatherbie expressed concerns about reorganization, summer salary payments, faculty participation in shared government, release time and faculty salaries.

COMMITTEE REPORTS

Finance Committee

Mr. McCampbell, chair, stated that the committee had met for its annual budget workshop and reviewed the key elements budget income and expenses.

REVENUE

A \$2.6 million (4%) increase in revenue is projected. The bulk of the increase (approximately 60%) comes from property tax increases. The basic rate for operations remains the same. The only increase is 2.7 cents due to the voter-approved bond sale. The major drivers of the increase are the dollars coming into the College as the result of an average 9.4% increase in property valuation, or net result of \$44 yearly tax increase for the average homeowner. Mr. McCampbell stated the good news for tuition and fees is that there is no increase in fee income and the only increase to tuition will be a \$1 per-semester-hour allowed by policy. He stated that funding available will total \$67.1 million compared to \$64.5 million last year.

EXPENSES

Mr. McCampbell stated that all the budget requests totaled \$71 million, compared to revenue available in the amount \$67.1 million. The \$8 million difference represents a 10% increase in budget requests. The final budget presentation reflected a \$2.6 million increase, with \$50,000 in expenses over revenue. Salary/salary benefits is the largest item, representing about 60% of the increase, or \$1,567,000. Salaries are \$1.4 million, not counting benefits, which would equate to 3.4%.

Mr. McCampbell explained that the other two largest items in the budget are the physical plant increases of \$495,000 and utilities increase totaling \$466,000 (due to occupation of the new buildings). These items represent 37% of the increase. Therefore, between the 60% related to salaries and benefits, and 37% related to utilities and plant, 97% of the College's increases are in three line items.

Mr. McCampbell noted that the major unknown is property insurance, but the Board will receive additional information from the insurance carriers before finalizing the budget. He mentioned that with the effect of hurricanes on the pricing of materials and the cost of insurance, it is anticipated that the impact to the College could be at least \$2 million.

Buildings and Grounds Committee

Mr. Martin, chair, reported that the committee had toured the East Campus central plant. He noted that the project had doubled the chilling and heating capacity and provided the infrastructure for future expansion, at a cost of a little over \$3 million.

Mr. Martin commented that the College accepted bids to renovate the Barth Learning Resources Center and add canopies over the welding area, which will be used for an outdoor training facility. The cost will be over \$600,000.

He explained that a \$3.7 million construction project will add 12,700 feet to the Kinesiology Building, and that an improved track and additional racketball courts are being considered.

Mr. Martin noted that the dollars are getting tight and material costs increasing. He stated that updated HUB and local contractor information will be added to the website. He also noted that the Public Safety Complex, which will house EMS, HAZMAT, Police, and Firefighters, is behind schedule.

REGENTS' REPORTS AND COMMENTS

STAFF REPORTS

COLLEGE PRESIDENT'S COMMENTS

Dr. Carlos Garcia provided a report on summer payroll and information regarding the Gonzales Education and Community Center.

PENDING BUSINESS

Status Report on Pending Business

Dr. Carlos Garcia stated that all the items are in progress.

ACTION ITEMS

1. Approval of Minutes

Called Board Meeting – July 7, 2006

Regular Board Meeting – July 11, 2006

Mr. Martin made a motion, seconded by Dr. Dawod, to approve the minutes of the referenced meetings. The motion carried unanimously by Regents Adler, Arriaga, Dawod, Gonzales, Martin, McCampbell and Rivas.

2. Discussion and possible action related to order calling for a public hearing on the budget.

Attorney Augustin Rivera, Jr. read the order aloud.

Mr. McCampbell made a motion, seconded by Mr. Martin, to approve the order calling for a public hearing on the budget. The motion carried unanimously by Regents Adler, Arriaga, Dawod, Gonzales, Martin, McCampbell and Rivas.

3. Discussion and possible action related to order calling for a public hearing on the tax rate.

Attorney Augustin Rivera, Jr. read the order aloud.

Mr. McCampbell made a motion, seconded by Ms. Arriaga, to approve the order calling for a public hearing on the tax rate. The motion carried unanimously by Regents Adler, Arriaga, Dawod, Gonzales, Martin, McCampbell and Rivas.

4. Discussion and possible action related to granting property tax exemption status to certain non-profit organizations who qualify under the requirements of Property Tax Code Sec. 11.184.

Mr. Alaniz recommended approval of exemptions for the C.C. Masonic Lodge and Al Almin Temple and conditional approval to the Eagle's Lodge contingent on its meeting qualifications of the City of Corpus Christi. He stated a resolution referencing the City guidelines will be developed as part of the exemptions approved during budget development.

Mr. Watts arrived at the meeting at 1:28 p.m.

Ms. Adler made a motion, seconded by Mr. Watts, to grant property tax exemption status to certain non-profit organizations who qualify under the requirements of Property Tax Code Sec. 11.184. The motion carried unanimously by Regents Adler, Arriaga, Dawod, Gonzales, Martin, McCampbell, Rivas and Watts.

5. Acceptance of Investments for July 2006.

Mr. Alaniz presented the Investments for July 2006.

Dr. Dawod made a motion, seconded by Mrs. Gonzales, to accept the Investments for July 2006. The motion carried unanimously.

6. Acceptance of Financial Statement for June 2006.

Mr. Alaniz presented the Financial Statement for June 2006. He responded to questions of the Board.

Dr. Dawod made a motion, seconded by Mrs. Gonzales, to accept the Financial Statement for June 2006. The motion carried unanimously.

7. CLOSED SESSION pursuant to a.) **TEX. GOV'T CODE** § 551.071 (Consultation with legal counsel), regarding pending or contemplated litigation, with possible discussion and action in open session; b.) **TEX. GOV'T CODE** § 551.074(a)(1) (Personnel Matters) regarding the employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, with possible discussion and action in open session; c.) **Tex. Gov't. Code** § 551.072 (Deliberations about Real Property), regarding the deliberation of the purchase, exchange, lease, or value of real property, with possible discussion and action in open session; and d.) **TEX. GOV'T CODE** § 551.073 (Deliberations about Gifts and Donations), regarding the deliberation of a negotiated contract for a prospective gift or donation to the state or the governmental body as follows: Durrill Sculpture Project; with possible discussion and action on each of the listed items in open session.

The Board entered into closed session at 1:44 p.m. and reconvened in open session at 3:43 p.m. No action was taken.

8. CALENDAR: Discussion and possible action related to calendaring dates.

Called Meeting – August 18, 2006 at 11:00 a.m.
Regular September Meeting – moved to third Tuesday, September 12, 2006
Buildings and Grounds Committee – September 12 or earlier if needed

ADJOURNMENT

Mr. Rivas adjourned the meeting at 3:44 p.m.