

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

March 11, 2008

The Regular Meeting of the Board of Regents of the Del Mar College District convened in in the Isensee Board Room, Harvin Student Center, Del Mar College East Campus, Corpus Christi, Texas, at 1:00 p.m., Tuesday, March 11, 2008, with the following present:

From the Board:

Mrs. Chris Adler, Board Chair, Ms. Minerva Arriaga, Dr. Haysam Dawod, Ms. Elva Estrada, Mr. Bill Martin (left at 3:25 p.m.), Mr. Trey McCampbell, Mr. Gabriel Rivas III (left at 3:30 p.m.), and Mr. Guy Watts.

From the College:

Mr. Joe Alaniz, Acting College President; Ms. Marjorie Villani, Interim Vice President of Instruction, Mr. Steve Megregian, Interim Vice President and Administration and Finance; Mr. José Rivera, Vice President of Student Development; Ms. Vickie Natale, Dean of Administrative Services; Mrs. Susie Kaspar, Executive Administrative Assistant to the President; and other administrators.

From the Attorney's Office:

Mr. Augustin Rivera, Jr.

Others:

Mr. Tom Spurgeon, attorney with McCall, Parkhurst & Horton  
Mr. David Gordon, Estrada & Hinojosa  
Mr. Victor Quiroga, Southwest Securities

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

Mrs. Chris Adler called the meeting to order, and with a quorum present, requested a moment of silence followed by the Pledge of Allegiance.

**RECOGNITION, AWARDS AND INNOVATION**

The College Relations office, under the leadership of Claudia Jackson, Assistant to the President for Community Relations, was recognized as the Program of Excellence and Innovation.

**COMMITTEE REPORTS**

**Audit Committee – Mr. Trey McCampbell, Chair**

Mr. McCampbell reported the committee had met to review the audit proposal by Collier, Johnson & Woods, which will include the audit for the Foundation. He commented that the increase of \$1,000.00, or 2% over last year's fee, is very reasonable.

### **Buildings and Grounds Committee – Mr. Bill Martin, Chair**

Mr. Martin provided a report on action taken at the committee meeting that morning, stating that all the projects are on track. He announced the Emerging Technologies Building, with canopies, had received an award from the South Texas Association of Builders and Contractors and showed a construction trade magazine cover featuring a photograph of the facility.

### **Presidential Search Committee – Mr. Trey McCampbell and Mr. Bill Martin, Co-Chairs**

Mr. McCampbell reported that Dr. Bob Barringer, President of Gold Hill Associates, had conducted meetings on campus to gather input from the college community and the greater community about the presidential profile. Representatives from all constituency groups participated in the forums. He noted that all three State Representatives were present, along with the County Judge, and City Council members. The local school districts also participated in the meetings. A community survey was also conducted.

Mr. McCampbell distributed a brochure entitled “Presidential Search 2008.” He reported an extensive advertising campaign is being conducted. Mr. McCampbell explained the application process and stated that a short list of applications will be reviewed at a called meeting on April 28, 2008.

### **REGENTS’ REPORTS AND COMMENTS**

The Regents provided reports on their attendance at the 2008 ACCT National Legislative Summit in Washington, D.C., February 10-13, 2008. Mrs. Adler displayed stickers (“54%/12%”) that the Del Mar College Regents had worn and shared with other Texas delegates. The stickers conveyed the fact that 54% of Texas college students attend community colleges, but community colleges receive only 12% of state funding.

### **STAFF REPORTS**

None

### **COLLEGE PRESIDENT'S COMMENTS**

Mr. Alaniz provided a report on Board travel for review and discussion at a future meeting. He noted that Board is discussing location options for its meeting. He reported the staff is preparing an MOU for a leadership center. He also announced the bond rating reports showed an upgrading by the bond rating companies.

He congratulated Dr. Larry Lee, Chair of Computer Science, and the students who participated in the Cyber Security competition.

Mr. Alaniz expressed appreciation to Physical Facilities staff for their work during the recent windstorm.

## PENDING BUSINESS

Ms. Marjorie Villani, Interim Vice President of Instruction, made a brief report on the work of the College Wellness Committee chaired by Janice Spigner, faculty in Allied Health. She referred to the committee's website for additional information.

## ITEMS FOR DISCUSSION AND POSSIBLE ACTION

### 1. Approval of Minutes

Regular Board Meeting – February 19, 2008

Mr. Rivas made a motion to approve the minutes of the February 19, 2008 meeting. Mr. Martin seconded the motion. There were no public comments. A roll-call vote was taken, and the motion carried unanimously.

Called Board Meeting – February 28, 2008

Dr. Dawod made a motion to approve the minutes of the February 28, 2008 meeting. Ms. Arriaga seconded the motion. There were no public comments. A roll-call vote was taken, and the motion carried unanimously.

### 2. Discussion and possible action related to proposed “Resolution authorizing the issuance of approximately \$27,000,000 in Aggregate Principal Amount of *Del Mar College District Combined Fee Revenue Bonds, Series 2008*, Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Contract and Other Instruments and Procedures Related Thereto, and Approving an Official Statement.”

Mr. Dave Gordon, Estrada & Hinojosa, presented the debt service schedule, and reviewed the principal, interest and total debt service for the new issuance, which is \$25,490,000 at 4.478% preliminary pricing as of March 7, 2008. He reviewed the historical analysis, rating and credit enhancement, and pricing results, including reports of Moody's, Standard & Poor's, and Fitch.

Mr. Gordon reported on the

Mr. Tom Spurgeon, with McCall, Parkhurst and Horton, also offered comments and responded to the Board questions.

Mr. Rivas made a motion to authorize the proposed Resolution and

authorize the execution of Paying Agent/Registrar Agreement, a Purchase Contract and other instruments and procedures. Dr. Dawod seconded the motion. In further discussion, Mr. Spurgeon explained that funding would take place on April 8, 2008. There were no public comments. A roll-call vote was taken, and the motion carried with Regents Adler, Arriaga, Dawod, Estrada, Martin, McCampbell and Rivas in favor; Mr. Watts, opposed.

3. Discussion and possible action related to authorizing the administration to increase the matriculation and building use fees by \$2.00 per semester hour each and increasing the instructional support fee by \$15.00.

Mr. Megregian, Interim Vice President of Administration and Finance, explained the request for authorization to increase the matriculation and building use fees \$2.00 per semester hour each and increase the instructional support fee by \$15.00. Mr. Alaniz added that the increase is very conservative. Further discussion followed.

Dr. Dawod made a motion to authorize the administration to increase the matriculation and building use fees by \$2.00 per semester hour each and increase the instructional support fee by \$15.00. Mrs. Adler seconded the motion. There were no public comments. A roll-call vote was taken, and the motion carried with Regents Adler, Arriaga, Dawod, Estrada, Martin, McCampbell and Rivas in favor; Mr. Watts, opposed.

4. Discussion and possible action related to Retirement Incentive Program.

Mr. Megregian stated that at the request of former Interim President Kirkland, he had investigated the feasibility of a retirement incentive program to be instituted prior to arrival of the next president. He distributed a memorandum ("Retirement Plan Modifications") to clarify and modify points addressed in the agenda materials.

Mr. Megregian had surveyed eligible employees, of which 132 qualified for the program. Qualified employees must meet the TRS "rule of 80," having worked for Del Mar College a minimum of ten years. To ensure equity, he explained that employees under the Optional Retirement Program (ORP) also will be afforded an opportunity to participate in the early retirement program.

Mr. Megregian noted that in the agenda background materials, for those at 79, the retirement date is specified as 1/31/09. He explained, however, that pending written clarification from TRS, the retirement date could be 12/31/08 or 1/31/09, whichever date allows TRS to authorize the extra year of credit to the member.

The cost of \$2.1 million assumes the College will replace everyone who retires at the average of the last couple of years' service. Non-faculty employees would be hired at 10% less than current salary. Mr. Megregian stated the retirement monies would be paid

in two payments, with 30% in September and the remaining 70% in January 2009 to spread out the income tax impact for those employees. Mr. Megregian is conducting informational meetings with qualified employees to assist them in planning their retirement.

Also built into the program is a right by any faculty to return to the College as an adjunct for two years with the stipulations as stated in the proposed retirement incentive program. Except for the adjunct teaching opportunities outlined in the program, any employee who retires under the program is not eligible to work at the College in greater than a half-time capacity for the two years starting 9/1/08 and ending 8/31/10.

Mr. Megregian noted that conservatively, the program will involve a maximum four-year payback, although he anticipates the payback to be significantly sooner. He explained that besides the financial impact, the program provides a significant opportunity for the College to analyze the teaching load requirement and filling of positions.

In response to Regents' questions, Dr. Lee Sloan, Dean of the Division of Business, Professional and Technical Education, stated that 69% of the chairs within his division qualify for the early retirement program, but most are not interested in retiring. Interim Vice President Villani confirmed assurance from Mr. Alaniz and Mr. Megregian regarding the impact on programs such as Nursing, and that the proposed program is fair and equitable. Mr. Alaniz assured the Board that the program is strictly voluntary. He stated his concern of loss of health insurance funding, and stated that that now is the time to offer this program. He assured the Board that the institution is fiscally sound and that quality of education will not suffer if the program is instituted.

Mr. McCampbell made a motion to approve the request with the three changes in the handout involving a better understanding of the base pay for computing benefits, the ORP, and clarification of the retirement date from TRS. Ms. Arriaga seconded the motion. There were no public comments. A roll-call vote was taken, and the motion carried, with Regents Adler, Arriaga, Dawod, Estrada, Martin, McCampbell and Rivas in favor; Mr. Watts opposed.

The Board took a brief recess at 3:30 p.m. Mr. Martin left the meeting at 3:30 p.m. and Mr. Rivas left at 3:35 p.m.

At 3:40 p.m., the Board reconvened.

5. Discussion and possible action related to emergency approval to purchase administrative software.

Mr. Megregian discussed the emergency situation requiring Board approval to purchase Datatel administrative software for computer conversion. He explained that since support for the current system will cease at the end of 2008, and conversion requires a year to complete, the College must start the conversion the day after Spring Break, with no time for requests for proposals.

Mr. Megregian explained that College has already investigated the two viable, fully integrated options, Banner and Datatel, which address students, faculty, course loads, accounting, tuition collection, and financial aid, and other functions under one database. He stated that the staff recommended the Datatel system.

Mr. Augie Rivera distributed copies of a proposed resolution to support the agenda item request.

Mr. August Alfonso, Director of Information Technology, commented on the proposed program and the Consortium of Texas Community Colleges.

Mr. Alaniz explained that the College had budgeted \$800,000 for Banner, and the Datatel system will cost up to approximately \$1.8 million, which includes Datatel's consulting time. Mr. Megregian noted that if the College does not require that much consulting time, the cost will be less. Mr. Bud Harris, Dean of Workforce and Economic Development, commented that an advantage of the Datatel system is the ability of credit and non-credit to be on one system.

Mr. Alfonso commented that the Dallas County, Austin, and North Harris Community College Systems use Datatel and it is a better fit for the user group which which Del Mar College will be associated. Mr. Megregian further explained that most community colleges use Datatel, while universities are on Banner.

Mr. Augustin Rivera noted a slight addition to paragraph 2 of the proposed resolution: "The District administration is hereby authorized to proceed with the selection **and acquisition** of a College-wide computer software as deemed appropriate by the administration in the best interest of the District."

Mr. Watts made a motion to approve the resolution. Dr. Dawod seconded the motion. Discussion continued.

Frances Jordan, Registrar, and Lenora Keas, Chair of Business Administration, expressed support for the purchase of Datatel.

A roll-call vote was taken, and the motion carried with, Regents Adler, Arriaga, Dawod, Estrada, McCampbell and Mr. Watts in favor. Regents Martin and Rivas had left the meeting prior to the vote.

6. Discussion and possible action related to proposed resolution to authorize application regarding City of Corpus Christi Community Development Block Grant program.

Mr. Bud Harris presented a proposed resolution to enable the use of funds from the City of Christi Community Development Block Grant program for activities of Business Resource Center. He explained that the program promotes business for low-income communities.

Dr. Dawod made a motion to approval the resolution, as requested. Ms. Arriaga seconded the motion. There were no public comments. A roll-call vote was taken, and the motion passed unanimously.

7. Discussion and possible action related to auditing services for the fiscal year ended August 31, 2008.

Mr. McCampbell made a motion to accept the audit proposal by Collier, Johnson & Woods. Dr. Dawod seconded the motion. There were no public comments. A roll-call vote was taken, and the motion passed unanimously.

8. Acceptance of Investments for February 2008.

Dr. Dawod made a motion to accept the Investments for February 2008. Ms. Arriaga seconded the motion. There were no public comments. A roll-call vote was taken, and the motion passed unanimously.

9. Acceptance of Financial Statement for January 2008.

Mr. Megregian presented the Financial Statement for January 2008. At Mr. McCampbell's request, he will check on whether the College budgeted for a utility increase.

Mr. Trey McCampbell made a motion to accept the Financial Statement for January 2008. Dr. Dawod seconded the motion. There were no public comments. A roll-call vote was taken, and the motion passed unanimously.

10. CLOSED SESSION pursuant to Tex. Gov't Code § 551.071: (Consultation with legal counsel), regarding pending or contemplated litigation, or a settlement offer, with possible discussion and action in open session; and, the seeking of legal advice from counsel, with possible discussion and action in open session.

The Board entered into closed session at 4:12 p.m. and reconvened in open session at 4:30 p.m. No action was taken.

PUBLIC COMMENTS (Non-Agenda Items) – 3-minute time limit

There were no public comments.

CALENDAR: Discussion and possible action related to calendaring dates.

Spring Break – March 15-22, 2008

Next Regular Meeting – April 8, 2008. A walk-through of East Campus construction will be held prior to the meeting.

ADJOURNMENT

Mrs. Adler adjourned the meeting at 4:40 p.m.