

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

September 12, 2017

The Regular Meeting of the Board of Regents of the Del Mar College District convened in the Isensee Board Room, Del Mar College, Corpus Christi, Texas at 10:00 a.m. on Tuesday, September 12, 2017, with the following present:

From the Board:

Mr. Trey McCampbell, Dr. Nicholas Adame, Mr. Ed Bennett, Ms. Susan Hutchinson, Ms. Sandra Messbarger, Mr. Gabriel Rivas, Ms. Carol Scott and Mr. Guy Watts.

From the College:

Dr. Mark Escamilla, President; Dr. Beth Lewis, Executive Vice President & Chief Academic Officer; Ms. Lenora Keas, Vice President and CFO; Dr. Rito Silva, Vice President for Student Affairs; August Alfonso, Vice President for Facilities and Operations & Chief Information Officer; Ms. Claudia Jackson, Executive Director of Strategic Communication and Government Relations; Ms. Mary McQueen, Executive Director of Development; Dr. Catherine West, Director of Accounting and Budget Officer; Ms. Jessica Alaniz, Risk Manager; and other staff and faculty.

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

Mr. McCampbell called the meeting to order with a quorum present. He requested a moment of silence followed by the Pledge of Allegiance and Mission Statement.

RECOGNITIONS:

**Faculty**

- Richard Rupp, 2017 Aileen Creighton Award for Teaching Excellence  
*(Goal 3 – Professional Initiatives: Provide Innovative, Relevant, and Meaningful Opportunities)*

Dr. Lewis congratulated Richard Rupp, the 2017 Aileen Creighton Award Recipient for Teaching Excellence. Mr. Rupp, Mathematics and Physics Professor, has taught Mathematics at Del Mar College for over 20 years. Dr. Lewis shared Mr. Rupp's recognitions and awards throughout his career and stated that his dedication to education is evident.

Mr. Rupp addressed the Board and shared his appreciation for this nomination from his colleagues; he concluded by stating that "everything is about helping the students and making sure the students succeed".

Dr. Escamilla congratulated Mr. Rupp and said he often hears from students about his teaching, he recently heard from one of his students that shared that they enjoyed his teaching and how it's changed their life.

STAFF REPORTS:

- Capital Improvement Program Execution Strategies for the 2014 and 2016 Bond Programs and Update on the Request for Qualifications (RFQ) for Architect/Engineering Services for the New Del Mar College South Side Campus

.....August Alfonso and Scott Meares (President – AG/CM)  
*(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)*

Mr. August Alfonso introduced Mr. Scott Meares, President of AG/CM who presented information regarding the 2014 and 2016 Capital Improvement Programs. The following information was provided:

- Update on the Architect/Engineering Request for Qualifications
- Bond 2014 Capital Improvement Program Execution Strategy and Timeline
- Bond 2016 Capital Improvement Program Execution Strategy and Timeline
- Bond 2014 and 2016 Next Steps

See included [Capital Improvement Program Presentation..](#)

Dr. Escamilla, Mr. Alfonso and Mr. Meares responded to questions and comments from the Regents throughout the presentation.

- 2013-2014 Write-Offs of Accounts Receivables.....Ms. Lenora Keas  
*(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)*

Ms. Keas reported that as they finalize the 2016 – 2017 budget and close out the previous year, they look back two years at write-offs. These are accounts receivables write-offs that have to do primarily with financial aid. She shared the progress that they have made with write-offs and collections. Last year for 2013-2014 they are writing off \$264,050; as they close out this year's books, 2016-2017, they will look at writing off uncollectible student financial aid or installment loans in the amount of \$203,524. Total financial aid awards for 2013-2014 was \$22,467,347. The 2013-2014 financial aid write-offs of \$153,214 is less than 1% of total financial aid awards. Financial aid adjustments are 75% of the total write-offs. The total write-offs compared to tuition and fees is also less than 1%. The Board packet includes the details for the Board's review.

Last year the College employed some strategies to work with the students to collect the funds from a variety of ways, including delaying disbursement of financial aid that is above the covered tuition and fees, required counseling, and timely notifications. Much of the fees that need to be collected relate to the students that drop for different reasons.

Ms. Keas responded to questions from the Regents.

- Hurricane Harvey Update  
*(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)*

Dr. Escamilla reported that the recovery post Hurricane Harvey continues and has many moving parts, including the people. Students continue to trickle in for enrollment and they are working to accommodate them in any way possible. Employees that are receiving these students are also dealing with their own issues and concerns because they have been impacted. They are working intently to take care of the people factor first and foremost. From the facilities standpoint, they are 95% to 98%, with White Library elevators down until possibly the end of September. Disability Services and Student Services are working in conjunction with facilities, and accommodations are being made as necessary. Registration accommodations continue to be made. The Del Mar College Community is doing great things, with many unsung heroes and untold stories. As they consider how the rest of the state was affected, they are in good shape. The more the College can keep operational, the more the people’s education needs they can take care of.

- 2016-2017 Statistical Profile  
*(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)*

Dr. Escamilla informed the Board that the 2016-2017 Statistical Profile was handed out to each of them and will also be available electronically in the next week or two.

**PENDING BUSINESS:**

Status Report on Requested Information

*(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)*

**CONSENT AGENDA**

**Notice to the Public**

*The following items are of a routine or administrative nature. The Board of Regents has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Board member or a citizen, in which event the item(s) will immediately be withdrawn for individual consideration in their normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.*

**CONSENT MOTIONS:**

*(At this point the Board will vote on all motions not removed for individual consideration.)*

**ITEMS FOR DISCUSSION AND POSSIBLE ACTION:**

1. Acceptance of Investments for August 2017  
*(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)*

2. Acceptance of Financial Statement for July 2017  
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Rivas made a motion to approve the consent agenda items. Ms. Messbarger seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, 8-0, amongst Regents present, with Regents McCampbell, Adame, Bennett, Hutchinson, Messbarger, Rivas, Scott and Watts in favor.

#### REGULAR AGENDA

3. Discussion and possible action related to the adopted 2017-2018 Maintenance and Operations Budget and 2017-2018 Debt Service Budget.....Ms. Lenora Keas  
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Ms. Keas explained that this item was added in case there was an action item coming out of the morning's Workshop providing further information to the Board on the adopted budget. There was no item and no need for action.

4. Discussion and possible action related to the Order of the Board of Regents of the Del Mar College District: Tax Rates for 2017-2018.....Ms. Lenora Keas  
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. McCampbell reminded the Board that due to Hurricane Harvey one of the Public Hearings on the Tax Rate was rescheduled but they are within the regulatory time to pass the tax rate.

Ms. Keas stated that they are presenting the tax rate proposal for the 2017-2018 budget year. They are proposing a budget of \$51,459,964 and a tax rate of \$0.205700 per \$100 of valuation. The debt service obligation is \$13,328,801 and the debt service tax rate is \$0.053463 per \$100 of valuation. The combined proposed tax rate is \$0.259163 per \$100 of valuation. The average taxable value of a home in the District is \$157,866 and this resulting combined tax rate would be an additional tax of \$20.64.

Mr. Augustin Rivera, Jr., read the Order of the Board of Regents of the Del Mar College Tax Rate 2017-2018.

Ms. Scott made a motion to adopt the proposed tax rate. Ms. Messbarger seconded the motion. There was no further discussion from the Board.

There were no public comments. A roll-call vote was taken and the motion carried, 7-1, with Regents McCampbell, Adame, Bennett, Hutchinson, Messbarger, Rivas, and Scott in favor, Mr. Watts was opposed.

5. Discussion and possible action related to the Order of the Board of Regents of the Del Mar College District: 2017-2018 Tax Levy of \$0.259163 per \$100 of taxable value for the Del Mar College District.....Ms. Lenora Keas  
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Ms. Keas referred the Board to the Order for their consideration.

Mr. Rivera read the Order of the Tax Levy for 2017 of the Del Mar College District.

Ms. Messbarger made a motion to approve the tax levy. Mr. Rivas seconded the motion. There was no further discussion from the Board. There were no public comments. A roll-call vote was taken and the motion carried, 7-1, with Regents McCampbell, Adame, Bennett, Hutchinson, Messbarger, Rivas, and Scott in favor, Mr. Watts was opposed.

6. Discussion and possible action related to the Resolution of the Board of Regents of the Del Mar College District: 2017-2018 Tax Exemptions.....Ms. Lenora Keas  
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Ms. Keas stated that the Del Mar College Board of Regents must annually approve individuals and organizations that will be granted specific tax exemptions. Traditionally the College has provided the following tax exemptions:

1. Homestead Exemption: \$5,000
2. Persons 65 Years and Older: \$50,000
3. Qualified Disabled Veterans: Statutory Exemption
4. Persons under 65, qualified for disability benefits: \$50,000
5. Qualified, Charitable Organizations: Statutory Exemption

Mr. Rivera read the Resolution of the Board of Regents of the Del Mar College District.

Mr. Watts made a motion to approve the tax exemptions. Ms. Scott seconded the motion. There was no further discussion from the Board. There were no public comments. A roll-call vote was taken and the motion carried unanimously, 8-0, amongst Regents present, with Regents McCampbell, Adame, Bennett, Hutchinson, Messbarger, Rivas, and Scott in favor, Mr. Watts was opposed.

Mr. Watts left the meeting at 1:52 p.m.

7. Discussion and possible action related to the appointment of a representative to the Nueces County Appraisal District Board of Directors.....Mr. Augustin Rivera, Jr.  
*(Goal 6. Partnerships: Expand Opportunities for Mutually Beneficial Alliances)*

Mr. Rivera discussed the proposed notice announcing a vacancy for a position on the Nueces County Appraisal District Board of Directors. He explained that in 2014 the Texas Legislature passed new legislation that allowed for Del Mar College to appoint a single representative to the Board of the Nueces County Appraisal District. The term began January 1, 2014; it's a two year appointment. The original appointee by the Board was Mr. Eugene Bouligny and the Board reappointed him again for the 2016-2017 term. After four years of dedicated service to the College, Mr. Bouligny announced that he is not seeking reappointment. It is the time of year for the Board to consider appointing someone to the Nueces County Appraisal Board.

Mr. Rivera reviewed the proposed timeline and responded to questions from the Board.

8. Discussion and possible action related to proposed Fourth Resolution of Censure of Regent Guy Watts .....Mr. Trey McCampbell  
*(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)*

Mr. McCampbell reminded the Board that throughout the last several months they have gone through the process of hearing a fourth incident of an ethics violation, they went through the process and conducted an investigation and at the last meeting directed Counsel to prepare a resolution based on the results of the investigation.

Mr. Rivera passed out the proposed Fourth Resolution of Censure of Regent Guy L. Watts to the Board. He stated that as directed at the last Board Meeting following the presentation and the last investigation report into the unethical conduct of Regent Guy Watts, the Board voted to accept the Report of Investigation of August 8<sup>th</sup> as well as the findings and conclusions. The Board further directed him to prepare a proposed Fourth Resolution of Censure for Regent Guy Watts. He provided time for the Regents to review the proposed Resolution.

Mr. Rivera read aloud the proposed Fourth Resolution of Censure of Regent Guy Watts for record purposes and for everyone's edification. See included [Proposed Fourth Resolution of Censure](#). Mr. Rivera advised the Board that the extensive report will be attached to the Resolution.

Mr. Rivera responded to questions from the Regents.

Ms. Messbarger made a motion to approve the Fourth Resolution of Censure. Ms. Scott seconded the motion. There was no further discussion from the Board.

Mr. Jack Gordy made a public comment opposing the censure.

Mr. McCampbell stated for the record that the Board understands people have a right to public comment but they have to act when a Regent violates their bylaws.

There were no public comments. A roll-call vote was taken and the motion carried 6-1, with Regents McCampbell, Adame, Hutchinson, Messbarger, Rivas, and Scott in favor, Mr. Bennett was opposed.

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

Mr. Jack Gordy: General public comment relating to his request that bylaws change and any complaint should be in writing.

Dr. James Klein: General public comment regarding the Coastal Bend Social Forum with Morris Dees as their guest speaker.

9. CLOSED SESSION pursuant to:

- A. **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 on pending legal or contemplated matters or claims, with possible discussion and action in open session; and,
- 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; including 1.) Annual Evaluation of College President and President's Contract, with possible discussion and action in open session; and, 2.) Review of Regent's Duties, Responsibilities and Statement of Ethics (Regent Watts) and potential Board action for violation of Regent's Duties and Responsibilities.

The Board went into Closed Session at 2:15 p.m.

The Board reconvened in Open Session at 3:46 p.m.

With respect to the President's contract, Ms. Scott made a motion to renew the President's contract effective September 1, 2017, with some benefits and allowances

except as follows: 3% increase to base salary, increase the President's allowance by \$2,500 and add coverage of family dental, if possible. Mr. Rivas seconded the motion. There was no further discussion from the Board. There were no public comments. A roll-call vote was taken and the motion carried unanimously, 7-0, amongst Regents present, with Regents McCampbell, Adame, Bennett, Hutchinson, Messbarger, Rivas, and Scott in favor.

CALENDAR: Discussion and possible action related to calendaring dates.

ADJOURNMENT: The meeting was adjourned at 3:51 p.m.

MINUTES REVIEWED BY GC: /s/AR