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Texas Southmost College District

Minutes of the Special Meeting of the Board of Trustees

July 25, 2013

The Board of Trustees of the Texas Southmost College District convened in open session on July 25, 2013, at 5:30 p.m., in the Gorgas Board Room at Texas Southmost College. Board members present were Francisco G. Rendon, Chair; Adela G. Garza, Vice Chair; Trey Mendez, Secretary; René Torres; Dr. Reynaldo García; Ramon Hinojosa and Dr. Robert Lozano. Also present was Dr. Lily F. Tercero, President of Texas Southmost College.

1. Call to Order

The meeting was called to order by Chairman Rendon at 5:32 p.m.

2. Approval of a Contract for Custodial Services for TSC Campus Buildings with GCA Education Services of Texas, Inc.

Consideration and Approval of a Contract for Custodial Services for TSC Campus Buildings with GCA Education Services of Texas, Inc.

Chairman Rendon called on Mr. Chet Lewis, Vice President of Finance and Administration. Mr. Lewis stated that on January 2011, GCA Education Services of Texas, Inc. (GCA) was awarded as the custodial services contractor for UTB/TSC buildings through a formal competitive bidding process conducted on September 2010 by the UTB/TSC Purchasing Office. As of this date, GCA has operated the cleaning and maintenance services for UTB/TSC buildings, including furnishing of personnel, equipment, materials and supplies of approximately 1,145,000 sq. ft. area that includes building classrooms, offices, hallways and restrooms.

Mr. Lewis reported that after careful evaluation of possible alternatives, the administration recommends that Texas Southmost College (TSC) continue with GCA to provide custodial services to the TSC campus buildings. TSC will be executing a one (1) year contract extension, and will have an additional one (1) year renewal option at the same rates, terms, and conditions of the existing agreement.

The proposed contract amount will now cover a cleanable square foot area of approximately 706,700 that includes all TSC occupational facilities. The option amount for the contract includes a fixed monthly fee based on a "skip clean" scope reduction plus a twenty percent (20%) contingency for unanticipated events during the year. The initial term of this agreement will be effective from September 1, 2013 to August 31, 2014.

In addition, GCA is an awarded vendor by Buy Board which is a purchasing cooperative that serves local government institutions by conducting bidding process according to the requirements established by the State of Texas.

A motion was made by Mr. Torres to approve the Contract for GCA Education Services of Texas, Inc. to provide custodial services for TSC Campus Buildings at a cost not to exceed the amount of \$841,566.38 and to authorize the President to execute the contract as presented. The motion was seconded by Dr. Lozano and carried unanimously. Exhibit "A"

3. Consideration and Approval

Consideration and approval regarding the possible leasing, sale, exchange, transfer and/or acquisition of real and personal property interests in various tracts of land, buildings, and personal property in connection with the negotiations and contemplated agreements between the University (UTS) and Texas Southmost College (TSC) including the following:

- i. The Science, Engineering and Technology Building (SETB);
- ii. UTS's leasehold interest in the approximately 3.8 acres on which the SETB is located;
- iii. UTS's purchase contract with the City of Brownsville for the purchase of the National Guard Armory building;
- iv. Approximately 24.14 acres on the north side of West University Boulevard and including TSC's University Blvd. Library, University Blvd. Classroom Building and select parking lots, and including access to the University Blvd. Library by TSC students at no cost to TSC or its students through August 31, 2016, and continued use of the Library from September 1, 2016 – August 31, 2021, based on the marginal costs as agreed upon by UT and TSC; approximately 17.42

acres on the south side of West University Boulevard; approximately 1.2 acres on the southeast side of Ringgold Road and including the Student Union Building; approximately 6.1 acres southwest of East 24th Street; Lot 1, Block 1, University Park Subdivision, Unit 1 across East Jackson Street from UT Brownsville's Casa Bella student housing; Lots 5 through 7, 9 through 11, 18 through 24, and 32 through 34, Block 12, and Lots 1 through 7, 10, 11 and 16, Block 16, all in the Colonia Alta Vista Addition; and

- v. Leasehold interest in Land Lease Contract No. IBM 97-43 from the International Boundary and Water Commission; and
- vi. Leases between the parties for various buildings and space located on the campuses of TSC and UTB, including lease by TSC of existing lab spaces that TSC presently uses in the Life and Health Sciences Building through August 31, 2018; with the lease payments to TSC approximately \$2.4 million for Fiscal Year 2014.

Payment for the sale of aforementioned acreage and buildings, and agreed upon reimbursement for TSC improvements amount to approximately \$28.5 million dollars.

Additionally, retention of ownership by TSC of the Recreation, Education and Kinesiology Center; continuation of payment by UT of its share of the Bond debt associated with this facility; and continuation of access to the Center by students enrolled at the local UT campus; and a fair and equitable distribution of personal property between institutions.

A motion was made by Dr. García to authorize the President to complete all necessary actions associated with the finalization of agreements relating to the exchange, sale or lease of TSC property and buildings as per the Letter of Intent as presented. The motion was seconded by Dr. Lozano and carried unanimously. Exhibit "B"

The Board convened in a fifteen minute Recess at 6:02 p.m.

The Board reconvened in Regular Session at 6:17 p.m.

4. Board Budget Workshop for Fiscal Year 2014

Chairman Rendon called on Dr. Tercero to present the item. Dr. Tercero called on Dr. Leonard de la Garza, TSC Consultant to make the presentation. Dr. de la Garza provided the Board with an overview and general orientation of the budget process. He explained the funding sources and categories of expenditures.

Dr. de la Garza called on Mr. Lewis to explain the classifications of revenue and expenditures. Mr. Lewis stated that the major revenue sources is tuition and fees, local taxes, state appropriations, and others from auxiliary, grants, interest income, and revenue bonds.

Mr. Lewis stated that the functional categories for expenses are instruction, academic support, student services, institutional support, operations & maintenance of plant, public services, scholarship & fellowship and auxiliary enterprises.

Mr. Lewis reported on the state legislative highlights. He reported on Community College Appropriations FY 2013-2014, TSC Biennial State Allocation, Transition Funding, Community College Appropriations Employee Benefits (Art. III), and the TSC State Allocation.

5. Proposed Meeting Dates

Thursday, August 8, 2013

Special Board Meeting – Tax Rate

Thursday, August 19, 2013

Special Board Meeting – Tax Rate (1st Public Hearing, if needed)

Thursday, August 22, 2013

Regular Board Meeting (First Reading of Budget; 2nd Public Hearing, if needed)

Thursday, August 29, 2013

Special Board Meeting (Adoption of the Budget)

Thursday, September 5, 2013

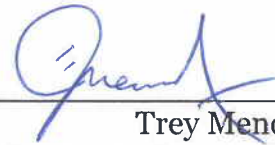
Special Board Meeting (Adoption of the Tax Rate)

Adjournment

The meeting was adjourned by Chairman Rendon at 7:26p.m.



Mr. Francisco G. Rendon
Chairman, Board of Trustees



Trey Mendez, J. D.
Secretary, Board of Trustees

NOTE: The tape of the Regular Board of Trustees meeting held on July, 25, 2013, 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 Assistant. 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.

