

**NAVARRO COLLEGE BOARD OF TRUSTEES
FEBRUARY 2, 2010 SPECIAL MEETING
MINUTES**

The governing body of NAVARRO COLLEGE met on Tuesday, February 2, 2010, in the President's Dining Room located in Walker Dining Hall for a special meeting. Trustees in attendance included: Dr. James Price, Vice-Chairman; Mr. James Borkchum, Jr., Secretary-Treasurer; Mr. Richard Aldama, Member; Mr. A. L. Atkeisson, Member; and Mr. Phil Judson, Member.

Mr. Lloyd Huffman, Chairman, and Mr. Todd McGraw, Member, were absent.

Others in attendance included:

Dr. Richard Sanchez	District President
Dr. Kenneth Martin	Vice President, Academic Affairs
Ms. Gettie Moreno	Vice President, Finance and Administration
Ms. Maryann Hailey	Vice President of Student Services
Mr. Dewayne Gragg	Vice President, Enrollment Management
Dr. Tommy Stringer	Vice President, Institutional Advancement
Dr. Harold Housley	Dean of Business, Professional and Technical Education
Ms. Judy Cutting	Asst. Dean of Business, Professional and Technical Education
Dr. Don Capone	Department Chair, Petroleum Technology
Mr. Karl Humphries	Director, Physical Plant
Ms. Leslie Smith	Executive Administrative Assistant

Call to Order

Dr. Price, acting chairman, called the meeting to order at approximately 12:00 noon. He announced that the board would break for lunch and asked Mr. Atkeisson to begin with a prayer.

At approximately 12:45 p.m., Dr. Price announced the board would reconvene into session.

Remarks by Dr. Sanchez

Dr. Sanchez distributed copies of a letter written by him on behalf of the Board to the Governor, Lieutenant Governor, and Speaker of the House regarding the five percent (5%) reduction in funds. Dr. Sanchez stated he had originally understood that the reduction only applied to the current year, but after attending the Texas Association of Community Colleges (TACC) meeting in Austin, he was made aware that it applies to both years of the biennium (2009-2011).

Dr. Sanchez stated the TACC has requested a letter be written to the "big three" (Governor, Lt. Governor, and Speaker of the House) by each member college conveying the impact the five percent reduction will have on their institution. They also requested the correspondence be kept "positive." Dr. Sanchez asked trustees to take a minute to look over the letter he had drafted for Mr. Huffman's signature on their behalf and to make any comments or suggestions for changes.

Dr. Price inquired why only the enrollment growth for 2008 was mentioned and Dr. Sanchez explained that only the enrollment growth from this period would have been paid during the 2011-2013 biennium.

Mr. Atkeisson inquired if it was possible for each institution to be dealt with individually rather than "across

the board." Dr. Sanchez responded that this was discussed at the TACC meeting and it was decided it would be too difficult to determine which institutions would be eligible for lower rates of reduction. He explained that the goal is for all community colleges to receive an exemption from the 5%.

Dr. Sanchez stated he does not anticipate receiving the exemption. The Speaker of the House was recently a guest speaker at Trinity Valley Community College and avoided TVCC's request to address an exemption for community colleges; instead, he mentioned the deficit the state is facing in the next biennium and the 5% reduction requested.

Dr. Sanchez also distributed a copy of the college's plan for reducing expenditures by 5% to be submitted to the Legislative Budget Board (LBB). The same format used for submitting the budget request each biennium was involved. The plan shows the Legislative Budget Board and Governor's office which programs and services will have to be reduced to attain the 5% reduction.

Dr. Sanchez stated because of the prudence used in managing the budget in prior years, the college will remain fiscally stable and will be able to absorb the 5% reduction for the next two years. He stated that the special reserve fund set aside by the board will be used to cover the college's 5% reduction for 2010. The remainder of the fund will be applied towards 2011's reduction, leaving an additional \$500,000 to be addressed. He stated that he does not believe the remaining amount will be difficult to achieve and reiterated that the college will be in "good shape" fiscally.

Mr. Aldama speculated about the possibility of not trying to increase enrollment. Dr. Sanchez stated that plans are being developed for two stages of growth: moderate growth and dramatic growth. Next year a 4% increase is being targeted instead of 6%. He stated that Mr. Gragg has come up with a plan where student contact hours can be increased by 4% without additional cost. This can be done by managing the courses and the schedule of classes that are currently offered. Dr. Sanchez stated that the 4% will be continued for 2011-2013. He stated it is not desirable to turn students away but there may be no alternative. He stated only as many classes as can be supported by the budget will be offered. He added that many other colleges will be holding back enrollment because of the reduction.

Review and Approve Plans for Petroleum Technology and Campus Police Buildings

Dr. Sanchez stated the plans for the Petroleum Technology Building would be presented by Dr. Housley and the Campus Police Building by Mr. Karl Humphries.

Dr. Housley began by stating the proposed Petroleum Technology Building is designed to look very similar in appearance to the John Deere Building with minor changes. The proposed facility will have a brick façade in the front and a metal building in the back. It will be constructed facing the east where the Quonsent huts are currently located.

Dr. Housley stated the construction of the Petroleum Technology is being divided into two phases, Phase I and Phase II. With funds that are currently available, all of Phase I will be completed and as much of Phase II as possible. It is anticipated that enough funds will be left over for the walls, flooring and infrastructure in Phase II to be completed. With air conditioning, the unfinished area would be functional for lab use and storage of equipment.

Dr. Housley displayed a copy of the floor plan showing Phase I will include a foyer, a computer room, a video conference/multi-purpose classroom, a general purpose classroom, restrooms, faculty offices and

storage area. He stated computers are currently taking up classroom space and students do not have access to them as needed. The dedicated computer room will alleviate this problem. The video conference/multi-purpose classroom will be outfitted with video conference equipment purchased with grant funds from the Department of Labor (D.O.L.). The room can be used as a general purpose classroom as well as for video conferences. He stated it is hoped that in the future, classes will be broadcast to offsite locations through the use of the video conferencing equipment in this room.

Plans for Phase II include four classrooms and several large lab areas. Roll-up doors will allow large pieces of equipment to be moved in and out. The roll up doors will also make it possible to move pieces of equipment into the classroom area for instruction as needed.

Dr. Housley stated the building's height does not need to be as high as the John Deere Building and will be closer to the height of the Physical Plant Building.

Dr. Price inquired about the number of instructors in the program. Dr. Capone responded to his question stating there are currently two full-time instructors and approximately eight to ten part-time instructors. Dr. Martin added that 155 students are currently enrolled in the Petroleum Technology Program, 57 of which were new students who enrolled this semester, spring 2010.

When asked about the project's timeline, Ms. Moreno responded she anticipates the buildings to complete and ready for occupancy by fall 2010. She continued stating that the architect, Mr. Richard Tater, is facing serious, life-threatening health issues. She further stated she had communicated with him just a few minutes prior to the start of the meeting, and he had updated her on his condition. He has decided against chemotherapy treatments and told her he is committed to seeing this project through to completion. Ms. Moreno stated that Mr. Tater has made it very clear he is determined to channel all his energy into seeing this project through. Dr. Sanchez added that earlier that morning, no word had been received regarding Mr. Tater's condition. It was anticipated that a new architect would have to be hired and the project would have to start over again from ground zero.

Mr. Judson inquired if the bid process will allow local contractors to bid on the projects. Ms. Moreno responded that when the project was originally going to be a one-phase construction, an RFQ had been sent out to hire a construction manager at risk. Hill & Wilkinson, Inc.'s bid had been accepted. Since then plans have been changed and the project has been divided into two phases. Hill & Wilkinson, Inc. has been advised the original project, as bid, has become null and void. They have been invited to bid on the revised project. Ms. Moreno stated the intent is to bid both construction projects (Petroleum Technology Building and Campus Police Building) at the same time.

Discussion followed regarding cost. Ms. Moreno stated the initial cost of the Petroleum Technology Building was estimated at \$1.8 million and \$400,000 for the Campus Police Building. She stated she does not anticipate that any savings will be realized from combining the two projects. Dr. Sanchez stated the original plans for the Petroleum Technology Building were based on the design of the John Deere Building. He stated that because the roof does not need to be as high, the overall cost should be closer to \$1.6 million but until the RFP is complete, the approximate cost will not be known. Dr. Sanchez stated that \$1,250,000 has been raised for the project and another \$350,000 is hoped to be raised through donations from other oil companies.

Dr. Sanchez added that the RFP will require a construction manager to be provided by the building contractor. He stated that Mr. Humphries does not have time to oversee the construction projects especially with the Midlothian project in process.

Mr. Judson inquired about the timeline for a "biddable" set of plans to be ready. Ms. Moreno responded she

hopes to have an answer from the architect prior to the next board meeting. Mr. Judson inquired if Mr. Tater had already been paid for the entire project and Ms. Moreno responded that his fee had been paid for the Petroleum Technology Building, approximately \$11,000, but he had not yet been paid for additional work on the Campus Police Building.

Mr. Judson asked Dr. Capone if plans were to continue using the current static area. Dr. Capone responded that plans are to move the three large pieces of equipment and the 300 horse power compressor currently located in the fenced-in area into the new facility on a permanent basis.

Dr. Housley stated the program continues to generate interest from other oil companies and asked Dr. Capone to share more information. Dr. Capone stated a human resources representative from EOG Resources was currently on campus conducting interviews for internships and Chesapeake Oil representatives will be coming on Thursday and Friday. He stated he has been contacted by Chevron's Pipeline Division located in Freestone County as well as Chevron's human resources manager in west Texas, who is responsible for all of Chevron's mid-continent production operations from Alaska to Houston. He stated Chevron will coming on March 30, 2010 to interview students for both internships and full-time employment based on the feedback they have been receiving from the industry. Dr. Capone stated he expects Anadarko Petroleum Corp. to follow suit as they have contacted him about two separate continuing education courses recently. Dr. Capone stated that XTO Energy, EnCana Oil & Gas, Marathon Oil Corp., EOG Resources, Inc., Chesapeake Energy, Chevron Corp. and potentially, Anadarko Petroleum Corp., will be taking students to serve in internships by next semester. Dr. Martin added that as more companies become interested in the Petroleum Technology Program, the potential to receive more funding increases.

Dr. Price inquired what the program's graduates are trained to do. Dr. Capone responded that originally the program was designed to train pumpers. Subsequently, half of the students are placed as lease operators and the other half at gas plants in the area. As students are identified with the right "mind set" to work in control room environments, they are steered towards becoming instrumentation technicians. When the building is complete it is anticipated that approximately 67 students will be added per semester and approximately 30 to 35 will graduate and be ready for employment in the industry. Dr. Capone stated this is why he is working to bring in other companies because XTO and EnCana will not be able to absorb this many students for internships.

Next, Mr. Humphries presented the plans for the Campus Police Building. He stated this building will be constructed with brick and a smaller metal building (sally port-garage) in back. He stated the Campus Police Building will be located to the south of the Petroleum Technology Building.

The plans for the Campus Police Building include a front entry with a counter where a dispatcher can greet visitors. Offices for the chief, sergeant, and corporal are included and in the center of building, restrooms, locker rooms and showers for the officers. Also included are a patrol room which can be used for video surveillance, conferences, etc., an evidence room, and a documents and weapons storage area. In the back metal part of the building, a storage area has been designated for the bicycle patrol. A large area with an overhead door will allow officers to pull in their squad car and secure the area before bringing in weapons or suspects.

Mr. Humphries responded to questions regarding parking areas for both buildings. He stated separate parking areas will be designated for each building. Parking for the Petroleum Technology Building will be located on the south side of the building while parking for the Campus Police Building will be located on the north side.

Dr. Sanchez stated that once the Request for Proposals (RFP) is ready, it will be sent out to local contractors and others for bid. Once all bids are received, a committee will be assembled to review the

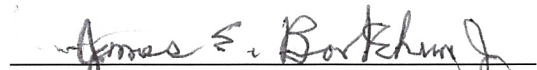
proposals. He stated that the board may want to appoint a member to participate as a representative on the committee. It was clarified that a construction manager at risk will not be used for these projects; instead, the construction company selected will be required to provide a construction manager as part of their bid.

It was the consensus of board members present to proceed with the plans and the bidding process for both projects.

Announcement and Adjournment

Dr. Price announced that the next regular meeting of the Board of Trustees will take place on Thursday, February 18, at 7 p.m. in the Arrowhead Room. He adjourned the meeting at 1:25 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "James E. Borkchum, Jr.", written over a horizontal line.

James E. Borkchum, Jr., Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES