

CONSENT AGENDA NO. 5A-2

Approval of the January 17, 2019 Work Session Minutes

It is recommended that the Board approve the minutes of the Work Session on January 17, 2019.

The Board of Trustees of the Dallas County Community College District held a Work Session on Thursday, January 17, 2019, beginning at 9:07 a.m. at the District Office.

Board Members and Officers Present

Ms. Monica Lira Bravo
Ms. Charletta Rogers Compton
Ms. Diana Flores (chair)
Mr. Wesley Jameson (vice chair)
Dr. Joe May (secretary and chancellor)
Mr. Phil Ritter
Mr. JL Sonny Williams
Ms. Dorothy Zimmermann

Members Absent

None.

1. **Certification of Notice** Posted for the Meeting was confirmed by Chancellor Joe May.

2. Master Plan and General Obligation Bonds

Presenters:

DCCCD - John Robertson; Tiska Thomas

Bond Counsel - Jeff Leuschel, McCall, Parkhurst & Horton, L.L.P.; Tonya Tarpeh, West & Associates, L.L.P.

Financial Advisors - Jason Hughes, Hilltop Securities; Robert Estrada, Estrada Hinojosa & Co. Inc.

John Robertson, Tiska Thomas, Jeff Leuschel McCall, Tonya Tarpeh, Jason Hughes and Robert Estrada presented the Master Plan and General Obligation Bond. John Robertson and Tiska Thomas reviewed the following information with the committee:

- Integrated Facility Plan
 - The Integrated Facility Plan was completed with Collier's recommendations, findings and with the Board strategic

priorities. This was presented to the Board in April of 2018, with a total of almost \$2 billion in potential project costs, based on the College Facility Plans.

- The list was revised by Colleges using the Collier's findings and prioritization model. With the 1st revision it brought down the amount to almost \$1.4 billion. Another revision was completed, bringing the current total to \$1.102 billion to meet the financing objectives, and a reasonable timeline of repayment.
- The model took into consideration the Board's Strategic Priorities which include:
 - Meeting the goal of 60x30TX.
 - Impacting Income Disparity.
 - Streamline Navigation.
 - Implement the Integrated Higher Education Network.
 - Serve as the primary provider in the talent supply chain.

Trustee Williams went on record to state that he would like a way to get out of all portable buildings located at the college campuses.

The \$1.102 billion total would be distributed into three categories:

1. Downtown Education and Innovation Complex - This is estimated to be a total of \$535 million which would include:
 - A completely redesigned El Centro campus.
 - An Education & Innovation Center.
 - Administration and business training center.
2. Students - This is estimated to be a total of \$332 million which will include:
 - ECHS/Promise Programs which will include the growth in ECHS and promise programs districtwide, address an expectation to add over 12,000 new students over the next 3-5 years, as well as improve degrees/certifications awarded and having no student debt (60x30TX).
 - Enrollment growth, there was a total enrollment growth of 12.7% since the last GO bond was issued in 2010.
 - Enhancing student experience by having new instructional learning styles and student collaboration learning spaces.

3. Industry Aligned Workforce

- This is estimated to be a total of \$235 million which will include:
 - Allied Health, Culinary, Construction trades, Advanced Manufacturing, Technology Business development, Corporate training and Early Childhood Education.
- Funding Sources
- The General Obligation Bond for a total of \$1.102 billion will include the Downtown Education & Innovation Complex, Students and Industry Aligned Workforce.
- The Revenue Bond up to \$250 million will help with the IT/PSS Project and ERP.
- The Facility Improvement Plan in the Operating budget will have at least \$18 million for deferred maintenance.

Financial Advisors Jason Hughes and Robert Estrada reviewed the following information with the committee as follows:

- GO Bond Financing
- Financial advisors were able to develop an affordable funding scenario which include:
 - Maintaining a current debt tax rate of \$0.02.
 - Two scenarios for the \$1.102 billion:
 1. Four issues over six years of \$500 million, \$300 million, \$150 million and \$150 million.
 2. Four issues over six years of \$300 million, \$500 million, \$150 million and \$150 million.
- Maintain average of less than 25-year maturities.

Bond Counsel Jeff Leuschel and Tonya Tarpeh reviewed the following information with the committee as follows:

- GO Bond Process
 - First, would be to determine the amount to be authorized.
 - Bond election for maximum amount.
 - General description of projects with the estimated amounts.
 - Board to approve order to call election to authorize the future sale of bonds.
 - Bond election.
 - Second, would be the issuance of bonds for future dates.
 - Each bond issued will require Board approval.

- A detailed prioritized list of projects and the amounts funded by each bond issued.
- The bonds are intended to be issued within 10 years.
- Not all voter authorized bonds must be issued.
- GO Bond Election
 - Election must be in May or November.
 - 78 days before the election will be an adoption of order calling for bond election.
 - An election must be called no later than February 15, 2019 (February 5th Regular Board Meeting).

Trustee Compton requested that we actively pursue small business and MWBE participation on all bond projects. She also asked for a complete list of all college master plan projects.

FOR THE RECORD: The list was provided to the Board at a later date.

3. Compression Planning Session: Exploring the Opportunities and Obstacles of a General Obligation Bond Election for DCCCD in May 2019

Presenter: Mary Brumbach

The Compression Planning Session was cancelled, along with the Special Meeting at 4:00 p.m.

4. Discussion and Action Regarding Direction from the Board of Trustees to Staff to Continue Planning and Preparation for a May 2019 Bond Election to Include Preparation of an Order Calling the Election for Consideration at the February Regular Board Meeting and Other Matters Related to Said Election

5. Executive Session

An Executive Session was not held.

6. Adjournment

The Work Session adjourned at 11:28 a.m.