I. Call to Order

II. Pledge of Allegiance

III. Certification of the Posting of the Notice of the Meeting

IV. Closed Session

The Board of Trustees, in accordance with Section 551.001, et seq. of the Texas Government Code will move into Closed Session under one or more of the following provision(s) of the ACT:

- Section 551.071 – Consultation with Attorney
  - Status of Pending or Proposed Litigation
  - On any item on the Agenda
- Section 551.072 – Deliberation Regarding Real Property
  - LSC-University Park, LSC-CyFair, LSC-North Harris, LSC-Tomball, LSC–Montgomery, LSC-Kingwood, LSC-System Office
- Section 551.074 - Personnel Matters

V. Reconvene Regular Meeting

VI. Introductions, Special Guests, Recognitions

VII. Workshop

VIII. Approval of the Minutes of the August 3, 2017 Workshop and Regular Meeting of the Board of Trustees

IX. Special Reports and Announcements

1. Chancellor – Reports and comments from the Chancellor regarding meetings and conferences attended, campus visits, community and district activities, education programs, current affairs related to higher education

2. Presidents – Gerald Napoles
3. Vice Chancellors

4. Faculty Senate Presidents

5. Board Members
   - Reports and comments from Board chair and Board members regarding meetings and conferences attended, campus visits, community and district activities, education programs, current affairs related to higher education
   - Board Committee Reports

X. Citizen Participation

XI. Consideration of the Consent Agenda

(The purpose of the consent agenda is to allow the Board to identify and approve action items which require no additional information or discussion and for which there is unanimous approval. Trustees receive agenda materials one week in advance of the meeting to prepare for the business to be conducted.)

XII. Policy Reports and Considerations

1. Consideration and Review of the Recommended Revision of the Lone Star College System Board Policy Manual Section I.F.1.06. Public Participation (FIRST READING)

2. Consideration and Review of the Recommended Revision of the Lone Star College System Board Policy Manual Section VI.G.1.10. Regarding Discipline in Health Occupations Programs (FIRST READING)

XIII. Financial Reports and Considerations

1. Consideration of Approval of the Proposed 2018 Lone Star College (the “College”) Internal Audit Plan (ACTION ITEM 1)

2. Consideration of Approval for the Chancellor or Designee to Negotiate and Execute a Payment-in-Lieu-of-Tax Agreement and Provide a Letter of Non-Opposition on Behalf of Lone Star College (the “College”) in Support of a Foreign Trade Zone (“FTZ”) Application (ACTION ITEM 2)

3. Consideration of Approval of the Annual Appointment of County Tax Assessor-Collectors to Collect Property Taxes Levied on Behalf of Lone Star College (the “College”) (ACTION ITEM 3)
4. Consideration of Approval for Lone Star College (the “College”) to Provide Notice of Intent to Hold Required Public Hearings and to Set the Ad Valorem Tax Rate for the Tax Year 2017 at the October Board Meeting (ACTION ITEM 4)

5. Consideration of Approval of a Resolution to Authorize the Imposition of an Additional Penalty of 20% of the Delinquent Tax, Penalty, and Interest Owed to Lone Star College (the “College”) on Real Property and Tangible Personal Property in Harris, Montgomery, and San Jacinto Counties for the 2017 Tax Year, and For Each Succeeding Year Thereafter in Order to Defray the Costs of Collecting Delinquent Property Taxes (ACTION ITEM 5)

6. Consideration of Approval of the Spring 2018 Credit Tuition and Fee Schedule Changes for Lone Star College (the “College”) (ACTION ITEM 6)

7. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Five Axis Milling Center for LSC-North Harris Machining Technology Program (ACTION ITEM 7)

8. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Multi-Story Burn Building for the Lone Star College-Montgomery (“LSC-Montgomery”) Fire Science Program (ACTION ITEM 8)

9. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Electrical Equipment for the Lone Star College-Creekside (“LSC-Creekside”) Electrical Technology Program (ACTION ITEM 9)

10. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Medical Radiographic Imaging Equipment for Lone Star College-CyFair (“LSC-CyFair”) Medical Radiographic Technology Program (ACTION ITEM 10)

11. Consideration of Approval to Change Lone Star College’s (the “College”) Funding of Science Lab Equipment for Lone Star College-University Park (“LSC-University Park”) Center for Science and Innovation (ACTION ITEM 11)

12. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Welding Machines and Testing Equipment for the Lone Star College-North Harris (“LSC-North Harris”) Welding and Inspection Technology Programs (ACTION ITEM 12)
13. Consideration of Approval of Annual Purchases of Bond-Funded Technology Hardware, Software, and Services on Behalf of Lone Star College (the “College”) (ACTION ITEM 13)

14. Consideration of Approval to Authorize the Chancellor or Designee to Purchase Analog Telecommunication Services for Lone Star College (the “College”) (ACTION ITEM 14)

15. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Data Backup Services (ACTION ITEM 15)

16. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Audio Visual Equipment, Installation and Integration Services and Maintenance and Repair Services (ACTION ITEM 16)

17. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the Lone Star College – East Aldine Satellite Center (“LSC-East Aldine Satellite Center”) Architectural Firm for Additional Services Related to the Design and Construction of the LSC-East Aldine Satellite Center and the MacArthur Early College Facility for Aldine Independent School District (“AISD”) (ACTION ITEM 17)

18. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Construction Manager at Risk (“CMAR”) Guaranteed Maximum Price (“GMP”) for Construction Services Related to the Lone Star College – University Park (“LSC-UP”) Center for Science and Innovation, a Phase One Group 6A Project under the 2014 General Obligation Bond Program (ACTION ITEM 18)

19. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of the College for the Construction of the Underground Chilled Water Piping at the Lone Star College-Kingwood (“LSC-Kingwood”) Performing Arts Center (ACTION ITEM 19)

20. Consideration of Approval to Authorize the Chancellor or Designee to Renew the Interlocal Agreement on Behalf of Lone Star College (the “College”) with Royal Independent School District for the Early College High School (“ECHS”) Initiative (ACTION ITEM 20)

21. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Air Handlers for Lone Star College-Kingwood (“LSC-Kingwood”) (ACTION ITEM 21)
1. Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Individuals (ACTION ITEM 22)

XV. Financial Report

Monthly Financial Statements

XVI. Buildings and Grounds Report

Construction Projects Update

XVII. Suggested Future Agenda Items

XVIII. Adjournment

If during the course of the meeting covered by this notice, the Board should determine that a closed session of the Board should be held or is required in relation to an item noticed in this meeting, then such closed session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board concerning any and all subjects and for any and all purposes permitted by Section 551.071-551.089, inclusive, of the Open Meetings Act, including, but not limited to:

Section 551.071 - Consultation with Attorney
Section 551.072 - Deliberation Regarding Real Property
Section 551.073 - Deliberation Regarding Prospective Gift
Section 551.074 - Personnel Matters
Section 551.076 - Deliberation Regarding Security Devices
Section 551.082 - Student Discipline
Section 551.0821 - Personally Identifiable Information About Student
Section 551.084 - Exclusion of Witness
Section 551.087 - Economic Development Negotiations
I, Stephen C. Head, Chancellor of the Lone Star College System, do hereby certify that a notice of this meeting was posted on Friday the 8th day of September, 2017 in a place convenient to the public at LSC-System Office The Woodlands, The Woodlands Leadership Building, on all college campuses and on the system website as required by Section 551.002 et seq., Texas Government Code. Special notice of the meeting was provided to the news media as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 8th day of September, 2017.

LONE STAR COLLEGE SYSTEM

_____________________
Stephen C. Head
Chancellor
MINUTES OF THE
WORKSHOP AND REGULAR MEETING OF THE BOARD OF TRUSTEES
INCLUDING
PUBLIC HEARING
2017-2018 PROPOSED BUDGETS
LONE STAR COLLEGE SYSTEM
CENTRAL SERVICES AND TRAINING CENTER
TRAINING AND DEVELOPMENT CENTER BOARD ROOM
5000 RESEARCH FOREST DRIVE
THE WOODLANDS, TEXAS 77381-4356
August 3, 2017
5:00 p.m.

PRESENT: Dr. Alton Smith, Chair
Dr. Kyle Scott, Vice Chair
Mr. Ken Lloyd, Secretary
Ms. Linda Good
Dr. David Holsey
Mr. Art Murillo
Mr. David Vogt
Dr. Ron Trowbridge

ABSENT: Ms. Myriam Saldívar, Assistant Secretary

I. CALL TO ORDER: Dr. Smith called the workshop and regular meeting of the Board of Trustees to order at 5:00 p.m. after determining that a quorum was present.

II. PLEDGE OF ALLEGIANCE: Ms. Good led the Board and guests in reciting the Pledge of Allegiance.

III. CERTIFICATION OF THE POSTING OF THE NOTICE OF THE MEETING: Chancellor Head confirmed that the Notice for the meeting had been properly posted. No action was required. A copy is attached as Exhibit “A”.

IV. CLOSED SESSION: At 5:02 p.m. Dr. Smith convened the Board in closed session, in accordance with Section 551.001 et seq. of the Texas Government Code under one or more of the following provision(s) of the Act:

   Section 551.071 – Consultation with Attorney
   • Status of Pending or Proposed Litigation
   • On any item on the Agenda
   Section 551.072 – Deliberation Regarding Real Property
V. RECONVENE REGULAR MEETING: Dr. Smith reconvened the open meeting at 6:17 p.m.

VI. PUBLIC HEARING – 2017 – 2018 PROPOSED BUDGETS: Dr. Smith called the public hearing to order at 6:17 p.m.

VII. PRESENTATION OF THE 2017 – 2018 PROPOSED BUDGETS: Ms. Jennifer Olenick, executive vice chancellor and CFO, presented an overview of the 2017 – 2018 Proposed Budgets with total operating and auxiliary funds of $427M. The proposed budget includes a 2% increase for full-time/part-time employees (minimum of $750), $4.2M for programs and operations at new facilities, $2.3M for 30 new faculty, $1.8M for employee reclassifications, $1.0M allocated to campuses for growth, $1.0M allocated to campuses for performance and $1.0M increase in annual revenue bond debt service.

VIII. CITIZENS COMMENTS: Mr. David Wilson spoke about the increase in legal fees in the new budget.

IX. ADJOURNMENT OF THE PUBLIC HEARING: There being no further discussion the public hearing was adjourned at 6:42 p.m.

X. RECONVENE REGULAR MEETING: The regular meeting was reconvened at 6:42 p.m.

XI. CONSIDER WHETHER THE CHANGE IN CONTRACT STATUS APPEAL OF THE CHANCELLOR’S DECISION REQUESTED BY JEFFERY WAX SHOULD BE HEARD BY THE BOARD IN ACCORDANCE WITH BOARD POLICY: A motion from Dr. Scott representing the board grievance committee was made to not send the grievance to the board to be heard with a second by Dr. Holsey. The vote was unanimous.

XII. CONSIDER WHETHER THE GRIEVANCE APPEAL OF THE CHANCELLOR’S DECISION REQUESTED BY TASHEMIA JONES SHOULD BE HEARD BY THE BOARD IN ACCORDANCE WITH BOARD POLICY: A motion from Dr. Scott representing the board grievance committee was made to not send the grievance to the board to be heard with a second by Dr. Holsey. The board approved the motion. Mr. Lloyd opposed.
XIII. **INTRODUCTIONS, SPECIAL GUESTS, RECOGNITIONS:** Dr. Head introduced Beth Marshall from Community Impact. Lee Ann Nutt, president of LSC-Tomball introduced Dr. Scott Stallman the new vice president of instruction.

XIV. **WORKSHOP:** None.

XV. **APPROVAL OF THE MINUTES OF THE JULY 10, 2017 WORKSHOP AND REGULAR MEETING OF THE BOARD OF TRUSTEES:** upon a motion by Mr. Murillo and second by Dr. Holsey the board approved the minutes of the July 10, 2017 Workshop and Regular Meeting of the Board of Trustees. Dr. Scott, Mr. Lloyd and Ms. Good abstained.

XVI. **SPECIAL REPORTS AND ANNOUNCEMENTS:**

1. **Chancellor:** Dr. Head announced fall student enrollment was up 7% over this time last year.

   Convocation will be held on August 22, 2017. Campus Carry started on August 1, 2017.

   A Closing the Loop meeting was held last week which included a large gathering of student services, instructional and administrative personnel. This meeting is held once a year to review what is working and not working throughout the system on student success.

   The Houston Astros Lone Star College night will be held on August 24, 2017 and Dr. Scott’s son will be throwing out the first pitch.

   The Legislature is reviewing property tax reform and we are watching to see how it might affect Lone Star College. The public schools have been exempted from the rollback property tax and community colleges have been exempted in the House Bill. Still monitoring any changes coming from Washington.

2. **College Presidents:** None.

3. **Vice Chancellors:** None.

4. **Faculty Senate Presidents:** None.

5. **Board Members:**
   Chair Alton Smith commented on a recent newspaper article highlighting Lone Star College campus carry implementation and commended Mr. Rand Key and Chief Paul Willingham on a job well done.

   Dr. Trowbridge complimented Mario Castillo on doing an outstanding job on the grievance policy and the Title IX policy for adjudication and ACCT has asked Lone Star College to present this policy at the meeting in September.
Dr. Alton Smith attended the LSC-Victory Center open house and was amazed at the number of people in the community that attended and thanked Gerald Napoles for the invitation.

XVII. CITIZEN PARTICIPATION: Mr. Jeffery Wax addressed the board about his termination appeal. Ms. Tashemia Jones addressed the board about her termination appeal.

Mr. Chris Tritico, attorney for Mr. Jeffery Wax and Ms. Tashemia Jones, addressed the board about due process for termination hearings.

Mr. John Burghduff representing the AFT, spoke about the appeals process.

Mr. Murillo left the meeting at 7:35 p.m.

XVIII. CONSIDERATION OF THE CONSENT AGENDA: Item number 2, 3, 4, 5, 6 and 14 were removed from the agenda to be considered separately. Item number 8 was pulled from the agenda to be considered at a future board meeting. Chair Smith proceeded with the Consent Agenda. Dr. Trowbridge made a motion to approve Action Items 1, 7, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32 and 33. Ms. Good seconded the motion and the Board unanimously passed the Consent Agenda. Item #7 was not read on the original voting and added to the list so a corrected motion to approve the Consent Agenda including #7 was made by Ms. Good and a second by Dr. Scott. The vote was unanimous. A copy is attached as Exhibit “B”.

XIX. POLICY REPORTS AND CONSIDERATIONS:


XX. CURRICULUM REPORT AND CONSIDERATIONS:

1. Consideration of Approval to Offer a Bachelor of Applied Technology (“BAT”) Degree in Computer Information Technology at Lone Star College (the “College”) (ACTION ITEM 2): upon a motion by Ms. Good and a second by Mr. Vogt the Board of Trustees approved offering a BAT degree in Computer Information Technology. The program will initially be offered at LSC-CyFair, and future expansion will depend upon community job openings and need. A copy is attached as Exhibit “D”.

4
2. **Consideration of Approval to Offer a Bachelor of Science in Nursing ("BSN") Degree at Lone Star College (the “College”) (ACTION ITEM 3):** upon a motion by Ms. Good and a second by Mr. Vogt the Board of Trustees approved offering a BSN degree at the College. The program will initially be offered at LSC-Montgomery. A copy is attached as Exhibit “E”.

3. **Consideration of Approval to Offer a Bachelor of Applied Technology ("BAT") Degree in Energy & Manufacturing Leadership at Lone Star College (the “College”) (ACTION ITEM 4):** upon a motion by Ms. Good and a second by Mr. Vogt the Board of Trustees approved offering a BAT degree in Energy & Manufacturing Leadership. The program will initially be offered at LSC-North Harris and LSC-University Park. A copy is attached as Exhibit “F”.

**XXI. FINANCIAL REPORTS AND CONSIDERATIONS:**

1. **Consideration of Adoption of the Lone Star College (the “College”) Recommended FY 2018 Budgets (ACTION ITEM 5):** upon a motion by Dr. Holsey and a second by Dr. Scott the Board of Trustees adopted the College’s FY 2018 recommended budgets and authorize the Chancellor to approve expenditure budget transfers among the funds, as necessary and allowed by law, as long as such transfers do not result in a change in the total expenditures budget of $366,251,380. Dr. Scott opposed. A copy is attached as Exhibit “G”.

2. **Consideration of Approval to Authorize the Chancellor or Designee to Submit Grant Applications and Enter into Grant Contracts and Amendments on Behalf of Lone Star College (the “College”) During FY 2018 (ACTION ITEM 6):** upon a motion by Dr. Scott and a second by Ms. Good the Board of Trustees authorized the Chancellor or designee to submit grant applications and enter into grant contracts and amendments on behalf of the College during FY 2018. The Chancellor also recommends that the Board of Trustees authorize the Chancellor or a designee to execute and submit individual grant applications and execute grant contracts and amendments with a College financial obligation of $100,000 or more, but less than $4,500,000, without obtaining the Board’s individual pre-approval for each individual grant application or grant contract. Ms. Good opposed. A copy is attached as Exhibit “H”.

3. **Consideration of Approval of Annual Purchases of Technology Hardware, Software, and Services (ACTION ITEM 7):** the Board of Trustees approved the purchase of technology hardware, software, and services in a sum not exceeding $15,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each such contract. The Chancellor finally recommends to the Board that it expressly authorize the Chancellor or designee to execute the contracts detailed in Appendix A for the not-to-exceed sums listed therein. This item was passed in the Consent Agenda. A copy is attached as Exhibit “I”.

5
4. Consideration of Approval of Annual Purchases of Bond-Funded Technology Hardware, Software, and Services on Behalf of Lone Star College (the “College”) (ACTION ITEM 8): this item was pulled from the agenda with action to be taken at a future board meeting. A copy is attached as Exhibit “J”.

5. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Load and Performance Testing & Real User Monitoring Services (ACTION ITEM 9): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College to purchase load and performance testing & real user monitoring services from SOASTA Inc., a wholly owned subsidiary of Akamai Technologies, Inc. (“SOASTA”), 150 Broadway, Cambridge, MA 02141, for a sum not exceeding $483,236 over a maximum period of five years. The initial term of the contract will be for three years with an option to renew for two additional one-year periods. This item was passed in the Consent Agenda. A copy is attached as Exhibit “K”.

6. Consideration and Approval of Reaffirmation of Board Action Item 14 from its May 7, 2009 Meeting for the Purchase, Implementation and Support Costs of the Lone Star College (the “College”) Enterprise Resource Planning (“ERP”) System, known as iStar (ACTION ITEM 10): the Board of Trustees reaffirmed Action Item 14 from its May 7, 2009 meeting authorizing licensing, support, and maintenance contracts in excess of $100,000 but less than $1,000,000 without individual Board pre-approval for as long as the College continues to utilize iStar. This item was passed in the Consent Agenda. A copy is attached as Exhibit “L”.

7. Consideration of Approval to Purchase Library Materials, Supplies, Services, and Resource Sharing Membership Fees for FY 2018 (ACTION ITEM 11): the Board of Trustees authorized the Chancellor or designee to approve the purchase of library materials, supplies, services, and resource sharing membership fees for FY 2018 in a sum not exceeding $1,155,000, and authorizes the Chancellor or designee to execute any agreements related to these purchases including individual contracts in excess of $100,000 but less than $1,000,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “M”.

8. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase two SimMan Manikins and Accessories for the LSC-Kingwood Nursing Program (ACTION ITEM 12): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Laerdal Medical Corporation, 167 Myers Corners Road, Wappingers Falls, NY 12590, for two SimMan Essential High Fidelity Manikins and Accessories in a sum not exceeding $103,542. This item was passed in the Consent Agenda. A copy is attached as Exhibit “N”.

9. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Parking Permit Printing and Fulfilment Services (ACTION ITEM 13): the Board of Trustees
authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Weldon, Williams & Lick (WWL), 711 North A Street, Fort Smith, AR 72901, for parking permit printing and fulfillment services in a sum not exceeding $500,000 for a five-year period. The initial term of the contract will be for two years with an option to renew for three additional one-year periods. This item was passed in the Consent Agenda. A copy is attached as Exhibit “O”.

10. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Pest Control Services (ACTION ITEM 14): upon a motion by Dr. Holsey and a second by Dr. Scott the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Cypress Creek Pest Control, P.O. Box 690548, Houston, TX 77269 for pest control services, for a sum not exceeding $190,000 over a maximum period of five years. The initial term of the contract will be for three years with an option to renew for two additional one year periods. If negotiations cease for any reason with Cypress Creek Pest Control, the College may proceed to negotiate with the next firm providing quotes. Mr. Vogt abstained. A copy is attached as Exhibit “P”.

11. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (“the College”) to Purchase a High Pressure Surface Cleaner (ACTION ITEM 15): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College to purchase a high pressure surface cleaner from Cyclone Technology, 1845 West 1st Street, Tempe, AZ 85281 for a sum not exceeding $164,053. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Q”.

12. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Waste Disposal Services (ACTION ITEM 16): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with BFI Waste Services of Texas, LP dba Republic Services of Houston, 8101 Little York Road, Houston, TX 77016 for waste disposal services for a sum not exceeding $850,000 over a maximum period of five years. The term of this award is for an initial three years and with the option to renew for two additional one year periods. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease with Republic Services of Houston, the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed. This item was passed in the Consent Agenda. A copy is attached as Exhibit “R”.

13. Consideration of Approval of Annual Purchases of Bond-Funded Construction and Related Services (ACTION ITEM 17): the Board of Trustees approved the purchase of bond-funded construction and construction-related services in a sum not exceeding $2,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each
individual contract. Contract sums exceeding $500,000 will be individually presented to the Board for consideration of approval. This item was passed in the Consent Agenda. A copy is attached as Exhibit “S”.

14. Consideration of Approval of Annual Purchases of Repair and Replacement (“R&R”) Construction and Related Services (ACTION ITEM 18): the Board of Trustees approved the purchase of R&R construction and related services in a sum not exceeding $6,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each such contract. Contract sums exceeding $500,000 will be individually presented to the Board for consideration of approval. This item was passed in the Consent Agenda. A copy is attached as Exhibit “T”.

15. Consideration of Approval to Renew the Annual Insurance Policies for FY 2018 and the Agreements for the Administration of Student Liability and Medical Insurance on behalf of Lone Star College (the “College”) (ACTION ITEM 19): the Board of Trustees approved the renewal of the annual insurance policies for FY 2018 in a sum not exceeding $2,800,000 for the period September 1, 2017 – August 31, 2018 as summarized in Appendix A. This item was passed in the Consent Agenda. A copy is attached as Exhibit “U”.

16. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Real Estate Property Located on the Southwest Side of Woodford Place Drive and West of Kingwood Place Drive, in Kingwood, Montgomery County, Texas and Necessary Agreements and Easements Related to the Property (ACTION ITEM 20): the Board of Trustees authorized the Chancellor or his designee to negotiate and execute a contract on behalf of the College to purchase real estate in Kingwood, Montgomery County, Texas. The property will be purchased at or below fair market value for a sum not exceeding $1,300,000. In addition, that the Board of Trustees authorizes the Chancellor or designee to negotiate and execute any required agreements and easements with the property owners, owners associations, municipal utility district, and utility providers necessary to provide access and utility service to the property. This item was passed in the Consent Agenda. A copy is attached as Exhibit “V”.

17. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the LSC-CyFair Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program (ACTION ITEM 21): the Board of Trustees authorized the Chancellor or designee to execute a contract amendment on behalf of the College with M. Arthur Gensler Jr. & Associates, Inc. d/b/a Gensler (“Gensler”), 711 Louisiana Street #300, Houston, Texas 77002, for additional architectural services for a sum of $29,700 for a total revised contract sum of $1,653,081. This item was passed in the Consent Agenda. A copy is attached as Exhibit “W”.

8
18. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the LSC-North Harris Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program (ACTION ITEM 22): the Board of Trustees authorized the Chancellor or designee to execute a contract amendment on behalf of the College with PBK Architects, Inc. (“PBK”), 11 Greenway Plaza, Houston, Texas 77046, for additional architectural services for a sum of $22,800 for a total revised contract sum of $1,570,689. This item was passed in the Consent Agenda. A copy is attached as Exhibit “X”.

19. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Hydraulic Trainer for the Industrial Diesel Technology Program at LSC-North Harris (ACTION ITEM 23): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Fluid Power Training Institute, 2170 South 3140 West, Salt Lake City, UT 84119, for a hydraulic trainer in a sum not exceeding $106,980. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Y”.

20. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contracts on Behalf of Lone Star College (the “College”) with the Approved Science Vendors for Additional Science Supplies, Equipment and Instructional Chemicals (ACTION ITEM 24): the Board of Trustees authorized the Chancellor or designee to amend the contracts on behalf of the College with the approved science vendors for additional science supplies, equipment and instructional chemicals in the sum of $1,000,000, for a total revised sum for the five years not exceeding $4,000,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Z”.

21. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of the College for the Purchase and Installation of Furnishings for the LSC-North Harris Greenspoint Center (ACTION ITEM 25): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with J. Tyler Services, Inc., 5920 Milwee, Houston, Texas 77092 for the purchase and installation of furnishings for the LSC-North Harris Greenspoint Center in a sum not exceeding $276,254. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease with J. Tyler Services, Inc., the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed. This item was passed in the Consent Agenda. A copy is attached as Exhibit “aa”.

22. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement on Behalf of Lone Star College (the “College”) to Purchase Business Cards and Stationery Printing Services (ACTION ITEM 25): the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College from, Marfield Corporate Stationery Inc., 1225 E. Crosby Road, Suite B-1, Carrollton, TX 75006, for the purchase of business cards, letterhead, and envelopes for an estimated amount of $71,000 annually for a sum not exceeding
$355,000 over five years. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease for any reason with Marfield Corporate Stationery, the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed. This item was passed in the Consent Agenda. A copy is attached as Exhibit “bb”.

23. Consideration of Approval for the Selection of an Executive Search Vendor Pool of Qualified Firms for Lone Star College (the “College”) and Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of the College with the Selected Pool (ACTION ITEM 27): the Board of Trustees authorized the vendor pool from which the College will select service providers for executive search projects on an as needed basis. Additionally, that the Board of Trustees authorized the Chancellor or designee to negotiate and execute executive search scope of work (“SOW”) agreements for the College. The Board authorized the Chancellor or designee to execute five year master agreements with each firm listed: Gold Hill Associates, 1065 Stigger Road, Jackson, MS 39209; Myers McRae, Inc., 515 Mulberry St. Suite 200, Macon, GA 31201; Selge Holdings & Ventures, LLC d/b/a Wheless Partners, 1740 Oxmoor Rd, Suite 100, Birmingham, AL 35209; ACCT, 1101 17th Street NW, Suite 300, Washington, DC 20034; Academic Keys, LLC, 1066 Storrs Rd, Storrs, CT 06268; Diversified Search, LLC, One Commerce Square, 2005 Market Street, Suite 3300, Philadelphia, PA 19103; Latavco Consulting, 1120 NASA Parkway, Suite 2200, Houston, TX 77058; AGB Search, 1133 20th St., NW, Suite 300, Washington, DC 20036; Academic Search, 1015 18th St. NW, Suite 510, Washington, DC 20036; and Greenwood/Asher & Associates, Inc., 42 Business Center Dr., Suite 206, Miramar Beach, FL 32558. This item was passed in the Consent Agenda. A copy is attached as Exhibit “cc”.

24. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Accounts Payable Electronic Payments Automation Services (ACTION ITEM 28): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract for Accounts Payable Electronic Payments Automation from JPMorgan Chase Bank, N.A., 270 Park Avenue, New York, NY 10017. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease for any reason with JPMorgan Chase Bank, the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed. This item was passed in the Consent Agenda. A copy is attached as Exhibit “dd”.

25. Consideration of Approval to Authorize the Chancellor or designee to Review and Execute Regulated Utility Applications and Agreements for the Purchase of Electricity, Natural Gas and Water When the Utility is the Sole, Exclusive Provider and Rates are not Negotiable (ACTION ITEM 29): the Board of Trustees authorized the Chancellor or designee to review and execute Applications and Agreements for the purchase of electricity, natural gas and water supply from the local, regulated utility for Lone Star College (the “College”). This item was passed in the consent agenda. A copy is attached as Exhibit “ee”.
26. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Nursing Assessment Tests (ACTION ITEM 30): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Elsevier, 3251 Riverport Lane, Maryland Heights, MO, 63043, for nursing assessment tests. Total estimated annual costs for these tests are expected to be $150,000 for a sum not exceeding $750,000 over the five-year contract term. This item was passed in the consent agenda. A copy is attached as Exhibit “ff”.

27. Consideration of Approval to Authorize the Chancellor or Designee to renew the Interlocal Agreement on Behalf of Lone Star College (the “College”) with Aldine Independent School District for the Early College High School (“ECHS”) Initiative (ACTION ITEM 31): the Board of Trustees authorized the Chancellor or designee to renew the Interlocal Agreement on behalf of the College with Aldine Independent School District and continue to operate an ECHS Initiative. The term of the agreement will be two years from August 1, 2017 through July 31, 2019. This item was passed in the consent agenda. A copy is attached as Exhibit “gg”.

XXII. PERSONNEL REPORTS AND CONSIDERATIONS:

1. Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Individuals (ACTION ITEM 32): the Board of Trustees authorized the Chancellor or a designee to execute proposed employment contracts for the attached individuals. Each individual’s name, job title, not-to-exceed contract sum, and hire start date is attached. This item was passed in the Consent Agenda. A copy is attached as Exhibit “hh”.

2. Proposed Addenda to the Chancellor’s Contract (ACTION ITEM 14): the proposed addenda to the Chancellor’s contract was accepted. This item was passed in the consent agenda. A copy is attached as Exhibit “ii”.

XXIII. FINANCIAL REPORT

Monthly Financial Report: Ms. Jennifer Olenick, vice chancellor and CFO for finance and administration, presented the monthly financial statements for the month ended June 30, 2017. A copy is attached as Exhibit “jj”.

XXIV. BUILDING AND GROUNDS REPORTS:

Construction Projects Update: the Board reviewed the report as presented. A copy is attached as Exhibit kk”.

XXV. SUGGESTED FUTURE AGENDA ITEMS: None.

XXVI. ADJOURNMENT: There being no further business, the meeting was adjourned at 7:57 p.m.
ATTEST:

______________________________  ______________________________
Board of Trustees, Chair                Board of Trustees, Secretary
Consideration of Consent Agenda

Consent Agenda:
A roll call of individual action items will determine the consent agenda. If a trustee has a question or plans to cast a negative vote regarding a specific recommendation, then the trustee/trustees need to acknowledge their intention to the Chair by show of hand during the roll call: this action item will be considered in the regular order of business as an individual action item.

Those action items that the trustees plan to approve without further question or discussion will be placed on the consent agenda during roll call of individual action items. Upon the creation of the consent agenda, a motion, a second to the motion, and unanimous approval of the Board of Trustees is needed to approve the action items. Upon approval of the consent agenda, the Board of Trustees will proceed with the remainder of the agenda.

Rationale:
The consent agenda format is an organization process for meetings that allows the governing board to focus their time and attention on action items that require more elaboration, information, and/or discussion. The intent of the consent agenda is to support efficiency and effectiveness of the meeting.

Tally of Action Items:

<table>
<thead>
<tr>
<th>#</th>
<th>Action Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Approve Proposed 2018 Internal Audit Plan</td>
</tr>
<tr>
<td>2</td>
<td>Approve Payment-in-Lieu-Tax-Agree/Support FTZ</td>
</tr>
<tr>
<td>3</td>
<td>Approve Ann/Appt/County Tax Assessors/Collection</td>
</tr>
<tr>
<td>4</td>
<td>Approve Notice Public Hearings To Set AV Tax Rate</td>
</tr>
<tr>
<td>5</td>
<td>Approve Resolution Add’l 20% Penalty/Delinq/Taxes</td>
</tr>
<tr>
<td>6</td>
<td>Approve Spring 2018 Credit Tuition/fee Schedule Chgs</td>
</tr>
<tr>
<td>7</td>
<td>Auth Chan Neg/Exec/Purch Five Axis Mill/Ctr LSC-NH</td>
</tr>
<tr>
<td>8</td>
<td>Auth Chan Neg/Exec/Cont/Purch Multi-Story Burn Bldg</td>
</tr>
<tr>
<td>9</td>
<td>Auth Chan Neg/Exec/Purch/Electric/Equip LSC-CS</td>
</tr>
<tr>
<td>10</td>
<td>Auth Chan Neg/Exec/Purch/Medical Imaging Equip</td>
</tr>
<tr>
<td>11</td>
<td>Auth Chan Neg/Exec/Cont/Purch/Science Lab Equip</td>
</tr>
<tr>
<td>12</td>
<td>Auth Chan Neg/Exec/Cont/Purch/Welding Machines</td>
</tr>
<tr>
<td>13</td>
<td>Approve Ann Purch Bond Funded Technology Svcs</td>
</tr>
<tr>
<td>14</td>
<td>Auth/Chan/Purch/Analog Telecommunication Svcs</td>
</tr>
<tr>
<td>15</td>
<td>Auth/Chan/Neg/Cont/Data Backup Services</td>
</tr>
<tr>
<td>16</td>
<td>Auth/Chan/Neg/Exec/Contr/Purch/AV Equip</td>
</tr>
<tr>
<td>17</td>
<td>Auth/Chan/Amend/Cont/LSC-EA/Archect/Firm</td>
</tr>
<tr>
<td>18</td>
<td>Auth/Chan/Amend/CMAR/GMP/Const/Svcs/LSC-UP</td>
</tr>
</tbody>
</table>
Tally of Action Items:

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Consent Agenda</th>
<th>Chancellor Recommended Separate Action</th>
<th>Board Separate Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>#19</td>
<td>Auth/Chan/Neg/Contr/Const/UG/Chilled Water Piping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#20</td>
<td>Auth/Chan/Renew/Interlocal/Agree/ Royal ISD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#21</td>
<td>Auth/Chan/ Neg/Exec/Cont/Purch/Air Handlers LSC-K</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>#22</td>
<td>Auth Chan Exec/Employment Contracts</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#19 – Auth/Chan/Neg/Contr/Const/UG/Chilled Water Piping
#20 – Auth/Chan/Renew/Interlocal/Agree/ Royal ISD
#21 – Auth/Chan/ Neg/Exec/Cont/Purch/Air Handlers LSC-K
#22 – Auth Chan Exec/Employment Contracts
Request: Consideration and Review of the Recommended Revision of the Lone Star College (the “College”) Board Policy Manual Section I.F.1.06. Public Participation (FIRST READING)

Chancellor’s Recommendation: That the Board of Trustees consider and review revisions to the College’s Board Policy Manual Section I.F.1.06. Public Participation to revise the registration time to 5:55 p.m.

Rationale: The Board recently revised its meeting start time to 5 p.m. To allow citizens time to register after the meeting is called to order, this proposed revision changes the in-person public participation registration deadline to 5:55 p.m.

Fiscal Impact: None

Staff Resource: Mario K. Castillo 832-813-6655
I.F.1.06. Public Participation

Citizens may address the Board immediately before the Board considers the Consent Agenda if they have registered to speak. Each citizen may speak for up to five minutes, but citizens’ total time is limited to 30 minutes. Groups speaking about a topic must appoint a spokesperson. Citizens may register to address the Board (1) online 24 hours before the Board Meeting; or (2) in person by submitting a completed registration form to the Chancellor’s Chief of Staff no later than 5:55 p.m. on the day of the Board Meeting. The Board may allow an individual to testify at a Board Meeting from a remote location by videoconference call.
Request: Consideration and Review of the Recommended Revision of the Lone Star College System Board Policy Manual Section VI.G.1.10. Regarding Discipline in Health Occupations Programs (FIRST READING)

Chancellor's Recommendation: That the Board of Trustees consider and review the revision of the College’s Board Policy Manual Section VI.G.1.10. to delete that Section. With that Section deleted, deans of health occupations programs would no longer act as chief conduct officers for their programs for instances of non-academic student misconduct.

Rationale: The College’s administrative officials over health occupations programs believe that student non-academic disciplinary matters in health occupations programs would be best handled by the same chief conduct officers that handle non-academic misconduct for other academic programs.

Fiscal Impact: None

Resource: Mario K. Castillo 832-813-6655
VI.G.1.09. Periods of Disruption
During periods of disruption, the powers and procedures in Texas Education Code Chapter 51, Subchapter E-1 shall apply and shall prevail over this section if they conflict. Students must receive due process as soon as practicable during periods of disruption.

VI.H. STUDENT RECORDS

VI.H.1. Student Records
The College will comply with the Family Educational Rights and Privacy Act of 1974 (FERPA) when collecting, maintaining, and releasing student records. Students have rights regarding their records.

(a) The right to inspect and review their education records within 45 days of the College’s receipt of a written request for access.

(b) The right to request amendment of the student’s education records if the student believes the records are inaccurate, misleading, or violate the student’s privacy rights.

(c) The right to provide written consent before the College discloses personally identifiable information from the student’s education records, except to the extent that FERPA authorizes disclosure without consent.

(d) The right to file a complaint with the Family Policy Compliance Office, U.S. Department of Education, concerning alleged failures by the College to comply with the requirements of FERPA.

Directory Information. The College collects directory information regarding each student. Directory information includes the student’s name, classification, full or part-time enrollment, program of study, dates of enrollment, degrees and certificates received, and awards and honors received. The College may release directory information without the student’s consent unless the student requests that the College not release directory information. A student may make such a request to the Office of Student Records or by updating their MyLoneStar settings.

Limited Directory Information. The College also collects the student’s address, telephone number, and email, which the College classifies as Limited Directory Information. Only College Partner Organizations can request a student’s Limited Directory Information. The College may release Limited Directory Information to College Partner Organizations without the student’s consent unless the student requests that the College not release this Limited Directory Information. A student may make such a request to the Office of Student Records or by updating their MyLoneStar settings. The Associate Vice Chancellor of Analytics and Institutional Reporting maintains an updated list of approved College Partner Organizations.
Request: Consideration of Approval of the Proposed 2018 Lone Star College (the “College”) Internal Audit Plan

Chancellor’s Recommendation: That the Board of Trustees approve the Fiscal Year 2018 College Internal Audit Plan based on a risk assessment completed in August 2017.

Rationale: Auditing best practices include compliance with the Texas Internal Auditing Act and the International Standards for the Professional Practice of Internal Auditing. The Texas Internal Auditing Act requires that the Board approve the annual audit plan prepared using risk assessment techniques. The International Standards for the Professional Practice of Internal Auditing also requires that an internal audit department establish a risk-based plan to determine the priorities of the internal audit activity.

Internal Audit conducted a risk assessment to help identify and rank potential risk areas for the College. The risk assessment is the basis for the Internal Audit Department’s recommendation for proposed projects. The proposed plan considers staff levels and available labor.

Fiscal Impact: Funds are available from the FY 2018 budget.

Staff Resource: Mario K. Castillo 832-813-6655
## Proposed Internal Audit Plan

### Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Process</td>
<td>Evaluate the annual budget process.</td>
</tr>
<tr>
<td>Bond Program <em>(FY17 Rollover)</em></td>
<td>Assess internal controls over bond program funds.</td>
</tr>
<tr>
<td>Tenant Leases <em>(FY17 Rollover)</em></td>
<td>Evaluate management of tenant leases.</td>
</tr>
<tr>
<td>Title IX Compliance</td>
<td>Assess controls over processes to ensure compliance.</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>Access controls to ensure compliance with regulations.</td>
</tr>
<tr>
<td>Resource Development and Administration</td>
<td>Review grant development and monitoring processes.</td>
</tr>
<tr>
<td>Institutional Reporting - Discovery PowerBI</td>
<td>Evaluate internal controls over PowerBI tool.</td>
</tr>
<tr>
<td>Janitorial Contract</td>
<td>Assess compliance with contract terms and conditions.</td>
</tr>
<tr>
<td>Facilities Management Contract</td>
<td>Assess compliance with contract terms and conditions.</td>
</tr>
<tr>
<td>Business Continuity and Disaster Recovery *(FY17 Rollover) <em>(Consulting)</em></td>
<td>Provide consulting services.</td>
</tr>
<tr>
<td>Clery Reporting <em>(Consulting)</em></td>
<td>Provide Clery Act compliance consulting services.</td>
</tr>
<tr>
<td>Workforce Education &amp; Corporate Partnerships <em>(Consulting)</em></td>
<td>Provide controls and processes consulting services.</td>
</tr>
<tr>
<td>Executive Credit Cards <em>(FY17 Rollover)</em></td>
<td>Review expenses for appropriateness and compliance.</td>
</tr>
<tr>
<td>Cash Handling <em>(FY17 Rollover)</em></td>
<td>Assess campus controls to ensure cash is secured.</td>
</tr>
<tr>
<td>Follow Ups and Special Projects</td>
<td>Follow ups and other projects or investigations.</td>
</tr>
</tbody>
</table>

**Total**

Note: The proposed projects are arranged in descending order from the largest projects to the smallest (in terms of labor hours required to complete).
Request: Consideration of Approval for the Chancellor or Designee to Negotiate and Execute a Payment-in-Lieu-of-Tax Agreement and Provide a Letter of Non-Opposition on Behalf of Lone Star College (the “College”) in Support of a Foreign Trade Zone (“FTZ”) Application

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or his designee to negotiate and execute a payment-in-lieu-of-tax agreement on behalf of the College with Sigma Tube & Bar LLC (“Sigma”), 363 N. Sam Houston Parkway E, Suite 770, Houston, Texas 77060, and provide a letter of non-opposition in support of its FTZ application for property located at 14315 W. Hardy Road, Houston, Harris County, Texas.

Rationale: Sigma has requested the assistance of the College with its FTZ application for the property identified above. Since certain merchandise will be exempt from ad valorem taxation with the FTZ designation, it is necessary to execute the payment-in-lieu-of-tax agreement so that there is no financial impact on the College. In addition, Sigma has requested that the College provide a letter of non-opposition in support of the FTZ application.

Fiscal Impact: The decrease in tax revenue will be offset in full by the payments received under the agreement executed with Sigma.

Staff Resource: Steve Head
Jennifer Olenick
832-813-6515
832-813-6512
Request: Consideration of Approval of the Annual Appointment of County Tax Assessor-Collectors to Collect Property Taxes Levied on Behalf of Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve the annual appointment of the county tax assessor-collectors to collect property taxes levied on behalf of the College for the tax year 2017 (FY 2018) as detailed below.

<table>
<thead>
<tr>
<th>Tax Assessor-Collector</th>
<th>Collecting Property Taxes Levied in</th>
<th>Estimated Cost of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ann Harris Bennett, Harris County</td>
<td>$1,720,000</td>
<td></td>
</tr>
<tr>
<td>Tammy J. McRae, Montgomery County San Jacinto County*</td>
<td>$550,000</td>
<td></td>
</tr>
</tbody>
</table>

* Montgomery County collects on behalf of San Jacinto County.

Rationale: Board Policy Section I.D.1.06 Taxing Authority requires that the College’s ad valorem taxes be assessed and collected by the Harris and Montgomery County Tax Assessor-Collectors. The Texas Property Code permits the Board to appoint the individual serving as the County Tax Assessor-Collector to collect taxes for the College in that county. Both Harris and Montgomery Counties request that the Board of Trustees annually approve this appointment.

Fiscal Impact: Funds for these services are included in the FY 2018 operating or debt service fund budgets as appropriate.

Staff Resource: Jennifer Olenick 832-813-6512
Request: Consideration of Approval for Lone Star College (the “College”) to Provide Notice of Intent to Hold Required Public Hearings and to Set the Ad Valorem Tax Rate for the Tax Year 2017 at a Special October Board Meeting

Chancellor’s Recommendation: That the Board of Trustees approve the College to provide notice of intent to hold required public hearings and to set the ad valorem tax rate for the tax year 2017 at a special October Board Meeting.

Rationale: Legislation requires public hearings and specific language for the tax rate motion, resolution or ordinance, newspaper publications and website posting when the proposed tax rate exceeds the net effective tax rate.

The chief tax appraisers from Harris, Montgomery, and San Jacinto Counties have now submitted certified tax rolls. Staff is currently working with the tax assessor-collectors to determine the net effective, rollback, and recommended tax rates. This information will be presented to the Board of Trustees at the September regular Board meeting in preparation for the two required public hearings and adoption of the tax rate at a special October Board meeting.

Fiscal Impact: The rate to be established will determine the amount of tax revenues generated for the support of operations of the College as well as to pay bonded debt obligations for FY 2018.

Staff Resource: Steve Head 832-813-6515
Jennifer Olenick 832-813-6512
Request: Consideration of Approval of a Resolution to Authorize the Imposition of an Additional Penalty of 20% of the Delinquent Tax, Penalty, and Interest Owed to Lone Star College (the “College”) on Real Property and Tangible Personal Property in Harris, Montgomery, and San Jacinto Counties for the 2017 Tax Year, and For Each Succeeding Year Thereafter in Order to Defray the Costs of Collecting Delinquent Property Taxes

Chancellor’s Recommendation: That the Board of Trustees approve the resolution to authorize the additional 20% collection penalty to defray the cost of collecting delinquent taxes on real property and tangible personal property in Harris, Montgomery, and San Jacinto counties for Tax Year 2017, and each succeeding year thereafter.

Rationale: The College has contracted with the law firm Linebarger, Goggan, Blair and Sampson to collect its delinquent taxes in accordance with Section 6.30 of the Texas Property Tax Code. The contract was originally approved by the Board at the October 1, 2009 board meeting, and calls for a collection fee of 20% of the sum collected for delinquent taxes to be paid to the law firm. The contract automatically renews for additional successive one-year terms at the end of each renewal period.

Texas Property Tax Code Sections 33.07, 33.08, and 33.11 allow a taxing authority to authorize the addition of a collection penalty in a sum that does not exceed the amount of the compensation specified in the contract with a law firm in order to defray the collection cost for delinquent property taxes.

The County Tax Assessor-Collectors require a copy of a taxing unit’s resolution and/or ordinance regarding additional collection costs for delinquent tax collections. The College’s last resolution on this matter was in 2003, imposing the increase from a 15% fee to a 20% fee in accordance with Texas Property Tax Code Sections 33.07 and 33.08. The College does not have a resolution regarding Texas Property Tax Code Section 33.11. The Tax Assessor-Collectors have recommended an updated resolution to incorporate the three Texas Property Tax Code Sections 33.07, 33.08, and 33.11.

Fiscal Impact: The penalty will offset the legal fees incurred by the College that are paid to the delinquent tax collection firm with which the College has contracted.

Staff Resource: Jennifer Olenick 832-813-6512
RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY OF 20% OF THE DELINQUENT TAX, PENALTY, AND INTEREST OWED TO LONE STAR COLLEGE SYSTEM (THE “COLLEGE”) ON REAL PROPERTY AND TANGIBLE PERSONAL PROPERTY IN HARRIS, MONTGOMERY, AND SAN JACINTO COUNTIES FOR THE 2017 TAX YEAR, AND FOR EACH SUCCEEDING TAX YEAR THEREAFTER, TO DEFRAY THE COSTS OF COLLECTING DELINQUENT PROPERTY TAXES

WHEREAS, Texas Tax Code § 6.30, as amended, authorizes a taxing unit to contract with any competent attorney to enforce the collection of delinquent taxes and may compensate the attorney up to 20% of the delinquent tax, penalty, and interest collected by the attorney;

WHEREAS, Texas Tax Code § 33.07, § 33.08, and § 33.11, as amended, authorizes the College’s Board of Trustees to impose an additional penalty to defray the costs of collecting delinquent taxes due to the College, not to exceed the compensation specified in the contract with an attorney pursuant to Texas Tax Code § 6.30, as amended;

WHEREAS, the College has contracted with Linebarger Goggan Blair & Sampson, LLP (“Linebarger”) for a fee of 20% of delinquent taxes, penalty, and interest collected to collect the College’s delinquent taxes;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LONE STAR COLLEGE SYSTEM THAT:

Section 1. The facts recited above are true and correct.

Section 2. For tax year 2017 or any subsequent tax year, taxes imposed on tangible personal property which become delinquent on or after February 1 and remain delinquent for 60 days incur an additional penalty equal to the compensation specified in the contract with Linebarger to be paid in connection with the collection of the delinquent taxes—i.e., 20% of delinquent taxes, penalty, and interest. The College imposes this penalty under Texas Tax Code § 33.11 to defray collection costs.

Section 3. For tax year 2017 or any subsequent tax year, taxes on property other than tangible personal property which become delinquent on or after February 1 but not later than May 1 and remain delinquent on July 1 incur an additional penalty equal to the compensation specified in the contract with Linebarger to be paid in connection with the collection of the delinquent taxes—i.e., 20% of delinquent taxes, penalty, and interest. The College imposes this penalty under Texas Tax Code § 33.07 to defray collection costs.

Section 4. For tax year 2017 or any subsequent tax year, taxes which become delinquent on or after June 1 of the year in which they become delinquent under Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032, or 31.04 incur an additional penalty equal to the compensation specified in the contract with Linebarger to be paid in connection with the collection of the delinquent taxes—i.e., 20% of delinquent taxes, penalty, and interest. The College imposes this penalty under Texas Tax Code § 33.08 to defray collection costs.
Section 5. The Harris County, Montgomery County, and San Jacinto County Tax Assessor-Collectors are authorized to mail notice of the delinquency and of the penalty to each applicable property owner under Texas Tax Code § 33.07, § 33.08, and § 33.11.

Section 6. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 7th day of September 2017.

________________________________
Chair, Board of Trustees
Lone Star College System

________________________________
Secretary, Board of Trustees
Lone Star College System
Request: Consideration of Approval of the Spring 2018 Credit Tuition and Fee Schedule Changes for Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve the adoption of the College’s tuition and fee schedule changes for Spring 2018. The recommended tuition rates and assessed fees include the following changes from the 2017-2018 tuition and fee schedule:

- An increase in the out-of-district fee from $75 to $85 per credit hour.
- An increase in the out-of-state/international fee from $90 to $100 per credit hour.

The Board is requested to take action at this time so that the new rates are effective when students begin registering for Spring 2018 classes in November 2017.

Rationale: Out-of-District/State and International fees: estimated impact of $1.8 million increase:

Community colleges operate under the principle of shared responsibility for the cost of educating students with a proportion of the cost shared by the State of Texas, local taxpayers, and students. The college receives 39% of its funding from local property taxes, 34% from student tuition and fees, 21% from state appropriations, and 6% from grants and auxiliary operations.

In the 2015-2016 academic year, the college enrolled approximately 13,000 out-of-district and out-of-state/international students. Out-of-district students do not pay the College local property taxes. Out-of-state and international students generate no contact hour reimbursement funding from the state. Therefore, these out of district students are charged an out-of-district fee to mitigate the subsidy from local property taxpayers. Out of state/international students are charged an out-of-state/international fee to mitigate the subsidy from local taxpayers and to account for the lack of state funding.

Based on 2015-2016 enrollment data and audited revenues, in-district students pay a combined $177 per credit hour in tuition, fees, and property taxes and generate $61 in contact hour funding. Out-of-district students pay $138 and generate $61 in contact-hour funding and out-of-state/international students pay $153 per credit-hour and generate no contact hour funding, resulting in a $39 and $86 gap, respectively, between in-district students and other students.
The last time out-of-district/state and international fees were raised was in March 2017 for the 2017-2018 academic year.

**Fiscal Impact:** It is estimated that these proposed changes will generate approximately $1.82 million in additional student revenues for Spring and Summer 2018.

**Staff Resource:**

- Steve Head 832-813-6515
- Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Five Axis Milling Center for LSC-North Harris Machining Technology Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Mazak Corporation, 10950 Greenbend Blvd., Houston, TX 77067, to purchase a five axis milling center in a sum not exceeding $168,423.

Rationale: LSC-North Harris Machining Technology Department provides specialty workforce education in the machining technology trade. This equipment will be utilized to train students in the profession of machining technology. The College will train students using the standard and accepted methodologies for creating highly competent, safe and skilled graduates along with providing a training environment that embraces cutting-edge technology in this profession. Graduates of the LSC-North Harris Machining Technology program will demonstrate knowledge of necessary skills in their respective trade to seek gainful employment. Students will trained to apply critical thinking to research, evaluate, analyze, and synthesize information to solve problems related to the equipment, tools, and systems of operation for their chosen trade.

In compliance with Texas Education Code § 44.031(a), a Request for Proposal (“RFP”) #514 was publicly advertised and one response was received. The evaluation of the proposal was conducted based on price; qualifications, experience, and service needs met; quality of services; references; past performance; the extent to which certified historically underutilized business (“HUB”), minority and/or veteran or women-owned businesses are utilized; long-term cost; and enhanced services and completeness and thoroughness of proposal.

Fiscal Impact: $147,165 for these purchases are available from the General Obligation Bonds, Series 2015A. $21,258 for these purchases are included in the FY 2018 LSC-North Harris operating fund budget.

Staff Resource: Gerald Napoles 281-618-5444
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Multi-Story Burn Building for the Lone Star College-Montgomery (“LSC-Montgomery”) Fire Science Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Draeger, Inc., 3135 Quarry Road, Telford, PA 18969, to purchase a multi-story burn building in a sum not exceeding $195,000.

Rationale: The multi-story burn building will be a live fire training facility for cadets enrolled in the Fire Academy at LSC-Montgomery. This Class A burn building will enable the College to provide cadets with the best and most up-to-date training in the firefighting field of expertise. Cadets will gain insight into the complexities inherent in multi-story structural fire situations and gain experience with multiple fire scenarios in a controlled setting. These exercises give cadets the skills they must possess to survive these types of conditions in real-world situations they will encounter in their firefighting career.

In compliance with Texas Education Code § 44.031(a), a Request for Proposal (“RFP”) #516 was publicly advertised and one response was received. The evaluation of the proposal was conducted based on price; qualifications, experience, and service needs met; quality of services; references; past performance; the extent to which certified historically underutilized business (“HUB”), minority and/or veteran or women-owned businesses are utilized; long-term cost; and enhanced services and completeness as well as thoroughness of proposal.

Fiscal Impact: $195,000 for these purchases are available from the General Obligation Bonds, Series 2015A.

Staff Resource: Rebecca Riley 936-273-7222
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Electrical Equipment for the Lone Star College-Creekside (“LSC-Creekside”) Electrical Technology Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Advanced Technologies Consultants (“ATC”), 110 West Main St., P.O. Box 905, Northbend, MI 48167, to purchase electrical equipment for LSC-Creekside Electrical Technology program in a sum not exceeding $728,807.

Rationale: The LSC-Creekside Center Electrical Technology Department provides specialty workforce education in the Electrical Technology trade. This equipment will be utilized to train students in the profession of electrical technology. The College will train students using the standard and accepted methodologies for creating highly competent, safe, and skilled graduates, along with providing a training environment that embraces cutting-edge technology in this profession. Graduates of the Electrical Technology program will demonstrate knowledge of necessary skills in their respective trade to seek gainful employment. The College will train students to apply critical thinking to research, evaluate, analyze, and synthesize information to solve problems related to the equipment, tools, and systems of operation for their chosen trade.

This purchase complies with Texas Education Code § 44.031(a) (4) which allows the use of interlocal contracts. The College will purchase equipment from ATC through the Southeast Texas Cooperative Purchasing, Region 5 Education Service Center (ESC), Contract #20160406. ATC is the only authorized Texas dealer for Lab Volt, the manufacturer of this equipment.

Fiscal Impact: $728,807 for these purchases are available from the General Obligation Bonds, Series 2015A.

Staff Resource: Lee Ann Nutt 281-351-3378
                Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Medical Radiographic Imaging Equipment for Lone Star College-CyFair (“LSC-CyFair”) Medical Radiographic Technology Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute contracts on behalf of the College with the vendors listed below to purchase equipment for the LSC-CyFair Medical Radiographic Technology Program in a sum not exceeding $656,916.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Address</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Siemens Medical Solutions USA, Inc.</td>
<td>40 Liberty Blvd., Malvern, PA 19355</td>
<td>$551,416</td>
</tr>
<tr>
<td>Philips Healthcare division of Philips North America, LLC</td>
<td>3000 Minuteman Rd., Andover, MA 01810</td>
<td>$105,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$656,916</strong></td>
</tr>
</tbody>
</table>

Rationale: The LSC-CyFair Medical Radiologic Technology (“MRT”) program provides comprehensive education of structured learning experiences to assist in meeting the community’s need for medical imaging professionals. The update of the imaging equipment in the medical radiology lab will be fully utilized to train students in the MRT program. The college will train students using the standard and accepted methodologies for creating highly competent medical imaging skills and talented graduates along with providing a training environment that embraces cutting-edge technology in the MRT profession. Graduates of the Medical Radiologic Technology program are effectively prepared for entry-level positions in the Medical Radiologic Technology Profession.

In compliance with Texas Education Code §44.031 (a), a Request for Proposals (“RFP”) #512 was publicly advertised and five responses were received. The evaluation of the proposals was conducted based on cost, qualifications, experience, and service needs met; references; quality of services; the extent to which certified historically underutilized business (HUB), minority and/or veteran or women-owned business are utilized; past performance; long-term cost; and enhanced services/completeness and thoroughness of response.

Fiscal Impact: $656,916 for these purchases are available from the General Obligation Bonds, Series 2015A.
Staff Resource: Seelpa Keshvala 281-290-3940
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Change Lone Star College’s (the “College”) Funding of Science Lab Equipment for Lone Star College-University Park (“LSC-University Park”) Center for Science and Innovation

Chancellor’s Recommendation: That the Board of Trustees authorize a change in the College’s funding of science lab equipment for LSC-University Park Center for Science and Innovation.

Rationale: At the June 2017 Board Meeting, the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract to purchase laboratory equipment. Microscopes are required to meet College student learning outcomes and are necessary to support the curriculum in biology at the new LSC-University Park Center for Science and Innovation.

Not all of the funding was available from the General Obligation Bonds, Series 2015A. Given the importance of lab equipment to student instruction, it is recommended that the additional required funding for the microscopes be funded from the approved FY 2018 operating budget for LSC-University Park.

Fiscal Impact: $163,402 for these purchases are available from the FY 2018 LSC-University Park operating budget. $166,400 is available from the General Obligation Bonds, Series 2015A. Total purchase amount is $329,802.

Staff Resource: Shah Ardalan 281-290-2999
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Welding Machines and Testing Equipment for the Lone Star College-North Harris (“LSC-North Harris”) Welding and Inspection Technology Programs

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute contracts on behalf of the College with the vendors listed below to purchase equipment for the LSC-North Harris Welding and Inspection Technology Programs in a sum not exceeding $424,923.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Address</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conroe Welding Supply, Inc.</td>
<td>415 South Frazier, Conroe, TX 77301</td>
<td>$229,960</td>
</tr>
<tr>
<td>GE Inspection Technologies</td>
<td>50 Industrial Park Road, Lewiston, PA 17044</td>
<td>$120,369</td>
</tr>
<tr>
<td>Tinius Olsen Testing Machine Company</td>
<td>1065 Easton Road, Horsham, PA 19044</td>
<td>$57,124</td>
</tr>
<tr>
<td>Hocker, Inc.</td>
<td>13402 Weiman Road, Houston, TX 77041</td>
<td>$17,470</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$424,923</strong></td>
</tr>
</tbody>
</table>

Rationale: The LSC-North Harris Applied Technology Center provides specialty construction workforce education for automotive, machining, non-destructive testing and examination (“NDTE”), and welding. The remodel and update of this training center will be fully utilized to train students in the professions of automotive, machining, NDTE, and welding technologies. The College will train students using the standard and accepted methodologies for creating highly competent and skilled graduates along with providing a training environment that embraces cutting-edge technology in these same professions.

In compliance with Texas Education Code §44.031 (a), a Request for Proposals (“RFP”) #515 was publicly advertised and five responses were received. The evaluation of the proposals were conducted based on cost, qualifications, experience and service needs met; references; quality of services; the extent to which certified historically underutilized business (HUB), minority and/or veteran or women-owned business are utilized; past performance; long-term cost; and enhanced services/completeness and thoroughness of response.
Fiscal Impact: $424,923 for these purchases are available from the General Obligation Bonds, Series 2015A.

Staff Resource: Gerald Napoles 281-618-5444
Jennifer Olenick 832-813-6512
Request: Consideration of Approval of Annual Purchases of Bond-Funded Technology Hardware, Software, and Services on Behalf of Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of bond-funded technology hardware, software, and services on behalf of the College in a total sum not exceeding $15,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each such contract. The Chancellor finally recommends to the Board that it expressly authorize the Chancellor or designee to execute the contracts detailed in Appendix A for the not exceeding sums listed therein.

Rationale: Approving the bond-funded technology hardware, software, and services purchases in advance dramatically improves project schedules and enables faculty, students, and staff to receive updated technology in the timeliest and most cost-effective manner.

The purchase of technology hardware, software, and services will be made in accordance with:

- Texas Education Code 44.031, through competitive bid processes, or
- Texas Government Code, Subchapter F, Sections 271.101-102, through Board approved purchasing cooperatives (upon Completion of Market analysis), or
- Texas Government Code 2254.003, or
- Any other method approved by state law

The Chancellor or his designee will also ensure that bond funds are only depleted in a manner consistent with the bond order of the College authorizing the series or series of bonds and the bond propositions approved at the November 4, 2014 election authorizing the purposes for which the bonds may be issued.

The Chancellor also represents to the Board that no combination of contracts, purchases, or expenditures under this board agenda item will exceed $15,000,000.

Fiscal Impact: This purchase will be funded with bond proceeds issued under the 2014 General Obligation Bond Referendum. The spend for FY 2017 was approximately $1,997,278.
Staff Resource:  
Link Alander  
Jennifer Olenick  

832-813-6832  
832-813-6512
### APPENDIX A

Bond-Funded Infrastructure Project Contracts Exceeding $500,000 for Which the Chancellor Seeks Pre-Approval

<table>
<thead>
<tr>
<th>Item</th>
<th>Not-to-Exceed Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEM, Student Success, and Guided pathways ERP Services</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Data center hyper converged infrastructure</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Network Security Enhancements</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>OTS 11.3 Renovation</td>
<td>$750,000</td>
</tr>
<tr>
<td>CRM solution</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Expanded Network Redundancy</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>New construction AV installation – Magnolia Center</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction network installation – Magnolia Center</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-UP Arts Building</td>
<td>$750,000</td>
</tr>
<tr>
<td>New construction network installation – LSC-UP Arts Building</td>
<td>$750,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-MC Student Services Building</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction network installation – LSC-MC Student Services Building</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-NH Victory Center Expansion</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-NH Aldine Center</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-CF Westway Park</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction network installation – LSC-CF Westway Park</td>
<td>$600,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$13,800,000</strong></td>
</tr>
</tbody>
</table>
Request: Consideration of Approval to Authorize the Chancellor or Designee to Purchase Analog Telecommunication Services for Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of analog telecommunication services for the College for a sum not exceeding $771,000 for a five-year period from the vendors listed below.

<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Windstream</td>
<td>600 Willowbrook Office Park Fairport, NY 14450</td>
</tr>
<tr>
<td>Consolidated Communications</td>
<td>350 S. Loop 336W Conroe, TX 77384</td>
</tr>
<tr>
<td>AT&amp;T</td>
<td>6500 W. Loop South Bellaire, TX 77401</td>
</tr>
<tr>
<td>Century Link Communications</td>
<td>312 Higgins St. Humble, TX 77338</td>
</tr>
</tbody>
</table>

Rationale: Basic telecommunication services are required for life safety such as fire panels, alarm systems, and other analog connection services. These costs are considered normal utility expenditures for the College. Service fees, regulatory fees or telecommunication surcharges are regulated by the State of Texas and other governmental agencies and can change impacting the cost over life of the board approval. Costs for these fees are estimated in the amounts below.

<table>
<thead>
<tr>
<th>Company</th>
<th>Estimated Annual Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Windstream</td>
<td>$92,200</td>
</tr>
<tr>
<td>Consolidated Communications</td>
<td>$15,000</td>
</tr>
<tr>
<td>AT&amp;T</td>
<td>$15,000</td>
</tr>
<tr>
<td>Century Link Communications</td>
<td>$7,000</td>
</tr>
<tr>
<td>The System’s planned facility growth</td>
<td>$25,000</td>
</tr>
<tr>
<td><strong>Total Estimated Annual Cost</strong></td>
<td><strong>$154,200</strong></td>
</tr>
</tbody>
</table>
**Fiscal Impact:** Funds for this purchase are included in the FY 2018 College Services operating budget. Funds for subsequent fiscal years will be included in future proposed budgets.

**Staff Resource:**
- Link Alander 832-813-6842
- Jennifer Olenick 832-813-6512
### Telecommunication Serviced Locations

<table>
<thead>
<tr>
<th>Service Locations</th>
<th>AT&amp;T</th>
<th>Consolidated Communications</th>
<th>Windstream</th>
<th>**Century Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>LSC-Kingwood</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>LSC-EMCID</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>LSC-Montgomery</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSC-University Center</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSC-North Harris</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-CyFair</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Greenspoint</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Fairbanks</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Tomball</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Conroe Center</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSC-Peakwood</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-System Office</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-University Park</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Victory Center</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Tomball Health Science</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Atascocita Center</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Montgomery Firestation</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-North Harris Transportation</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC – Cypress Center</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-CHI</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Creekside</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Drilling Platform</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC Fire Panels/Alarms</td>
<td>X</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
| **Only Vendor able to provide services at these non-deregulated locations.**

### Future locations

<table>
<thead>
<tr>
<th>Service Locations</th>
<th>AT&amp;T</th>
<th>Consolidated Communications</th>
<th>Windstream</th>
<th>**Century Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>LSC-Aldine Center</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSC-Westway</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSC-Process Technology</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>LSC-Transportation New</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Data Backup Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with AT&T, 6500 W. Loop South, Bellaire, TX 77401, to purchase data backup services for a sum not exceeding $350,000 for a five-year period. The initial term of the contract will be for two years with an option to renew for three additional one-year periods. Either party may terminate the agreement upon 30 days’ written notice.

Rationale: This service is to provide backup data circuits to the instructional centers that do not currently have this capability and allow for growth of service to new centers in the future. This service will provide a minimum amount of bandwidth to allow for voice communication and limited network communication in the event of a main fiber cut at the site, this will allow students, faculty and staff to continue function until main service can be restored.

In June 2016, the Board of Trustees approved a five-year contract to purchase session initiation protocol (SIP) trunking and transport services from AT & T Corporation. The contract award was made in compliance with Texas Education Code §44.031 (a) through a formal Request for Proposal process (“RFP”) #429. The RFP allowed for additional services such as the ability to deploy point to multipoint backup circuits.

Fiscal Impact: Funds for this purchase are included in the FY 2018 College Services operating budget. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Link Alander 832-813-6842
Jennifer Olenick 832-813-6512
### Telecommunication Serviced Locations

<table>
<thead>
<tr>
<th>Service Locations</th>
<th>AT&amp;T</th>
</tr>
</thead>
<tbody>
<tr>
<td>LSC-Kingwood</td>
<td></td>
</tr>
<tr>
<td>LSC-EMCID</td>
<td></td>
</tr>
<tr>
<td>LSC-Montgomery</td>
<td></td>
</tr>
<tr>
<td>LSC-University Center</td>
<td></td>
</tr>
<tr>
<td>LSC-North Harris</td>
<td></td>
</tr>
<tr>
<td>LSC-CyFair</td>
<td></td>
</tr>
<tr>
<td>LSC-Greenspoint</td>
<td></td>
</tr>
<tr>
<td>LSC-Fairbanks</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Tomball</td>
<td></td>
</tr>
<tr>
<td>LSC-Conroe Center</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Peakwood</td>
<td></td>
</tr>
<tr>
<td>LSC-System Office</td>
<td></td>
</tr>
<tr>
<td>LSC-University Park</td>
<td></td>
</tr>
<tr>
<td>LSC-Victory Center</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Tomball Health Science</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Atascocita Center</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Montgomery Firestation</td>
<td>X</td>
</tr>
<tr>
<td>LSC-North Harris Transportation</td>
<td>X</td>
</tr>
<tr>
<td>LSC – Cypress Center</td>
<td>X</td>
</tr>
<tr>
<td>LSC-CHI</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Creekside</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Drilling Platform</td>
<td></td>
</tr>
</tbody>
</table>

### Future locations

<table>
<thead>
<tr>
<th>Service Locations</th>
<th>AT&amp;T</th>
</tr>
</thead>
<tbody>
<tr>
<td>LSC-Aldine Center</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Westway</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Process Technology</td>
<td>X</td>
</tr>
<tr>
<td>LSC-Transportation New</td>
<td>X</td>
</tr>
</tbody>
</table>
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Audio Visual Equipment, Installation and Integration Services and Maintenance and Repair Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute contracts on behalf of the College to purchase audio visual equipment, installation and integration services, and maintenance and repair services from the pool of vendors listed below in a sum not exceeding $10,000,000 over a five-year period. The initial term of the contract will be for a period of three-years with the option to renew for two additional one-year terms. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without the Board’s individual pre-approval for each such contract. Contract sums in the amount of $500,000 or more will be individually presented to the Board of Trustees for consideration of approval.

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buckeye Technology Solutions (dba CCS Presentation Systems)</td>
<td>20212 Hempstead Rd. Building 1 Houston, TX 77065</td>
</tr>
<tr>
<td>Troxell Communications, Inc.</td>
<td>2951 Marina Bay Dr. #130 League City, TX 77573</td>
</tr>
</tbody>
</table>

The College reserves the right to cancel any agreement upon 30 days written notice with or without cause. Quotes will be requested from all awarded vendors for all projects.

Rationale: Audio Visual Equipment is required for new building construction, renovations and routine upgrades for classrooms, computer labs, conference rooms, theaters, lecture halls and digital signage. Equipment selected is based on the College technology standards. In addition, regular maintenance and repair services are required to ensure sustained operation of the equipment in the teaching and office environments.

In compliance with Texas Education Code §44.031 (a), a Request for Proposal (RFP #518) was publicly advertised and five responses were received. The initial evaluation of the proposals was conducted based on cost, qualifications, experience and service needs met; references; quality of services; the extent to which certified historically underutilized businesses (HUB), minority and/or veteran or women-owned businesses are utilized; past performance; long-term cost; and enhanced
services/completeness and thoroughness of response. Presentations were requested from all five bidders.

**Fiscal Impact:** Funds for this purchase are included in the FY 2018 College Services operating budget. Funds for subsequent fiscal years will be included in future proposed budgets. Annual historical spend is approximately $1,927,427.

**Staff Resource:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Link Alander</td>
<td>832-813-6832</td>
</tr>
<tr>
<td>Jennifer Olenick</td>
<td>832-813-6512</td>
</tr>
</tbody>
</table>
Request: Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the Lone Star College – East Aldine Satellite Center (“LSC-East Aldine Satellite Center”) Architectural Firm for Additional Services Related to the Design and Construction of the LSC-East Aldine Satellite Center and the MacArthur Early College Facility for Aldine Independent School District (“AISD”)

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to execute a contract amendment on behalf of the College with Texas-IBI Group architects, formerly known as Bay-IBI Group Architects, 455 East Medical Center Blvd., Suite 500, Webster, Texas 77598 for additional architectural service in a sum of $70,200 for a revised contract sum of $1,897,042.

Rationale: At the August 7, 2014 meeting, the Board approved Texas-IBI Group, known at that time as Bay-IBI, to provide architectural services for the LSC-East Aldine Satellite Center, contingent upon finalization of funding through a formal Request of Qualifications process in compliance with Texas Government Code §2254.004.

At the March 3, 2016 meeting, the Board of Trustees approved using the General Obligation Bonds, Series 2015, to fund the LSC-East Aldine Satellite Center.

Texas-IBI Group was subsequently awarded a contract in a sum of $1,010,300 for architectural services for the LSC-East Aldine Satellite Center including, but not limited to design, mechanical, electrical, plumbing, etc.

At the March 2, 2017 meeting, the Board of Trustees approved Texas-IBI Group to provide additional architectural services related to the architectural and construction administration of the AISD MacArthur Early College Facility, an addition to the LSC-East Aldine Satellite Center, in the sum of $816,542. This increased the contract sum to $1,826,842.

The State Energy Conversation Office adopted a new energy code for state agencies and institutions of higher education in June 2016. A contract amendment is now required for design services related to this change.
The table below summaries the original contracts and amendment approve by the Board of Trustees to date. Contract amendments are now recommended for design services related to the code changes.

<table>
<thead>
<tr>
<th>Texas-IBI Group</th>
<th>Board Approval</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original</td>
<td>8/7/2014</td>
<td></td>
<td>$1,010,300</td>
</tr>
<tr>
<td>1st Amendment</td>
<td>3/2/2017</td>
<td>AISD Early College</td>
<td>$816,542</td>
</tr>
<tr>
<td>Proposed amendment</td>
<td>9/7/2017</td>
<td>Code revisions and additions</td>
<td>$70,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$1,897,042</strong></td>
</tr>
</tbody>
</table>

**Fiscal Impact:** Funds for this purchase are available from the General Obligation Bonds, Series 2015A

**Staff Resource:**
- Gerald Napoles 281-618-5444
- Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Amend the Construction Manager at Risk (“CMAR”) Guaranteed Maximum Price (“GMP”) for Construction Services Related to the Lone Star College – University Park (“LSC-UP”) Center for Science and Innovation, a Phase One Group 6A Project under the 2014 General Obligation Bond Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to amend the CMAR firm, E.E. Reed Construction, L.P., (“E.E. Reed”) 333 Commerce Green Blvd., Sugar Land, Texas 77478, for construction services related to the LSC-UP Center for Science and Innovation, a phase one, group 6A project under the 2014 General Obligation Bond Construction Program, to increase the agreement’s GMP in an amount not to exceed $725,000.

Rationale: At the June 2015 Board meeting, the Board of Trustees approved E.E. Reed to provide CMAR services for the construction of phase one, group 6A bond projects for LSC-UP in compliance with Texas Government Code 2269.253, through a formal Request for Qualifications process. The phase one, group 6A bond projects include the LSC-UP Center for Science and Innovation and the building 12 and 13 entrance canopy and parking project.

The LSC-UP Center for Science and Innovation is expected to be substantially complete by September 15th, 2017 and to be in full use for the spring 2018 semester. During the course of the project several factors have occurred causing the project construction cost to increase. The construction cost increases will be covered by savings in other areas of the project.

The table below summarizes the factors causing the project construction cost to increase:

<table>
<thead>
<tr>
<th>Item #</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Costs for design, construction, and administrative fees related to the utility extension for MUD 286</td>
<td>$413,625</td>
</tr>
<tr>
<td>2</td>
<td>Cost related to delays in connecting the chilled water taps to the building</td>
<td>$120,091</td>
</tr>
<tr>
<td>3</td>
<td>Cost for delays related to the geology rock wall</td>
<td>$ 16,400</td>
</tr>
</tbody>
</table>
4  Costs for E.E. Reed to supply temporary power $ 67,613
5  Costs for change in technology cabling from contract documents $ 11,576
6  Miscellaneous approved change orders $165,588

**Total** $794,893

The table below summarizes all transactions presented to the Board of Trustees to date for this CMAR firm:

<table>
<thead>
<tr>
<th>E.E. Reed Contract Summary</th>
<th>Board Approval</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original</td>
<td>3/3/2016</td>
<td>GMP - LSC-UP’s Center for Science and Innovation</td>
<td>$15,400,000</td>
</tr>
<tr>
<td>First Amendment</td>
<td>8/4/2016</td>
<td>GMP – Bldg. 12 and 13 Entrance Canopy and Parking Project</td>
<td>$1,816,108</td>
</tr>
<tr>
<td>Second Amendment</td>
<td>11/13/2016</td>
<td>Geology Rock Wall</td>
<td>$225,000</td>
</tr>
<tr>
<td>Proposed Amendment</td>
<td>9/7/2017</td>
<td>Various Cost Increases for LSC-UP’s Center for Science and Innovation</td>
<td>$725,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$18,166,108</strong></td>
</tr>
</tbody>
</table>

**Fiscal Impact:** Funds for this purchase are available from the General Obligation Bonds, Series 2015A.

**Staff Resource:** Jennifer Olenick 832-813-6512
Financial Report and Consideration No. 19  (ACTION ITEM 19)  Board Meeting 9-13-17

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of the College for the Construction of the Underground Chilled Water Piping at the Lone Star College-Kingwood (“LSC-Kingwood”) Performing Arts Center

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with HCL Mechanical services, LLC., 6877 Wynnwood Lane, Houston, Texas 77008, for construction of the underground chilled water piping at LSC-Kingwood Performing Arts Center in a sum not exceeding $600,000. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract.

Rationale: This project requires construction to extend the Central Plant chilled water lines 500 feet from existing vault to new point of service at the Performing Arts Center. This extension will provide air conditioning service to the Performing Art Center from the Central Plant allowing the existing stand-alone chillers to be permanently removed from service.

In compliance with Texas Education Code §2269.055, a Competitive Sealed Proposal (“CSP”) #519 was publically advertised and three responses were received. The evaluation of proposals was conducted based on price; experience and reputation; quality of goods and services; extent to which certified historically underutilized businesses (“HUB”), minority and/or veteran or women-owned businesses are utilized; safety record and safety plan; proposed personnel; financial capacity; project schedule and piping route.

Fiscal Impact: $600,000 for this purchase is available from the General Obligation Bonds, Series 2015A.

Staff Resource: Katherine Persson  281-312-1640
Jennifer Olenick  832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Renew the Interlocal Agreement on Behalf of Lone Star College (the “College”) with Royal Independent School District for the Early College High School (“ECHS”) Initiative

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to renew an Interlocal Agreement on behalf of the College with Royal Independent School District for the ECHS Initiative. The term of the agreement will be one year, ending on July 31, 2018.

Rationale: ECHS initiatives involve innovative high schools that allow students who are less likely to attend college an opportunity to earn a high school diploma and 60 college credit hours. ECHS initiatives provide dual credit at no cost to students, offer rigorous instruction and accelerated courses, provide academic and social support services to help students succeed, increase college readiness, and reduce barriers to college access.

The ECHS initiative focuses on students for whom the transition into post-secondary education is potentially problematic. Its priority is to serve students from low-income families, first-generation college students, English language learners, and minority students, all of whom are statistically underrepresented in post-secondary education.

Fiscal Impact: Direct costs of approximately $90,245 for this ECHS initiative are included in the FY 2018 operating budget for Lone Star College-Tomball. Enrollments in the ECHS initiative generate contact hours that are included in the basis for the State’s biennium funding allocation. Contact hours from Fall 2016 and Spring 2017 will generate $9,647 in State funding and student fees an estimated $54,850 in FY 2018, for total revenues of $64,497.

Resource: Lee Ann Nutt 281-351-3378
Alicia Harvey-Smith 832-813-6648
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Air Handlers for Lone Star College-Kingwood (“LSC-Kingwood”)

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with TD Industries, Inc., 9525 Derrington Road, Houston, Texas 77064, to replace five air handler units at LSC-Kingwood Library in a sum not exceeding $615,000. The Chancellor recommends that TD Industries, Inc., the firm with the highest evaluation score, be awarded the contract. If negotiations cease for any reason with TD Industries, Inc., the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed.

Rationale: The existing air handling units are at the end of their life span and are in need of replacement. The units continue to degrade which could actually result in heating, ventilation, and air condition (“HVAC”) outages in the building.

In compliance with Texas Government Code §2269.055, a Competitive Sealed Proposal ("CSP") #533 was publicly advertised and two responses were received. The evaluation of the proposals was conducted based on price; qualification, experience, service needs met, and references; quality of services; the extent to which certified historically underutilize business ("HUB"), minority and/or veteran or women-owned businesses are utilized; safety record; proposed lead personnel; financial capability; and other relevant factors.

Fiscal Impact: $615,000 for this purchase is included in the proposed FY 2018 R & R Fund budget.

Staff Resource: Katherine Persson 281-312-1640
Jennifer Olenick 832-813-6512
Request: Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Individuals

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or a designee to execute proposed employment contracts for the attached individuals. Each individual’s name, job title, not-to-exceed contract sum, and hire start date is attached.

Rationale: Board Policy Section III.D.1.3.(a) requires Board approval of employment contracts. In accordance with this policy, this authorization would expressly delegate such authority to the Chancellor or a designee for the attached individuals.

Fiscal Impact: Positions and salaries have been budgeted for 2016-2017.

Staff Resource: Mario K. Castillo 832-813-6655
<table>
<thead>
<tr>
<th>Name</th>
<th>Job Title</th>
<th>Contract Sum</th>
<th>Hire Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anderson, Jonathan</td>
<td>Dean, Instruction</td>
<td>$97,177</td>
<td>7/17/17</td>
</tr>
<tr>
<td>Hall, Lauren</td>
<td>Reference Librarian/Associate Professor</td>
<td>$65,668</td>
<td>7/17/17</td>
</tr>
<tr>
<td>Townsend, Nicole</td>
<td>Assistant Professor, Licensed Vocational Nursing</td>
<td>$60,125</td>
<td>6/13/17</td>
</tr>
<tr>
<td>Yannuzzi, Laura</td>
<td>Vice President, Instruction</td>
<td>$116,662</td>
<td>6/16/17</td>
</tr>
</tbody>
</table>
Report: Monthly Financial Statements

The financial statements for the month ended July 31, 2017 are presented for Board review.
ACTUAL REVENUES AS A % OF BUDGET  
9/1 THROUGH 7/31

- 2012-13: 92.7%
- 2013-14: 94.6%
- 2014-15: 94.6%
- 2015-16: 94.2%
- 2016-17: 98.5%
ACTUAL EXPENDITURES AS A % OF BUDGET
9/1 THROUGH 7/31

Year: 2012-13, 82.3%
Year: 2013-14, 84.4%
Year: 2014-15, 86.1%
Year: 2015-16, 84.7%
Year: 2016-17, 84.5%
## LONE STAR COLLEGE

Statement of Revenues and Expenditures
General and Auxiliary Funds
YTD July 31, 2017
Unaudited

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>FORECASTED VARIANCE</th>
<th>FISCAL YTD ACTUAL</th>
<th>% ACTUAL TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>PRIOR YEAR % ACTUAL TO BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriations</td>
<td>$74,051,000</td>
<td>$38,263</td>
<td>67,042,137</td>
<td>90.5%</td>
<td>$66,947,542</td>
<td>90.4%</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>119,381,000</td>
<td>(4,721,942)</td>
<td>114,225,757</td>
<td>95.7%</td>
<td>106,620,014</td>
<td>94.6%</td>
</tr>
<tr>
<td>Taxes</td>
<td>134,613,000</td>
<td>7,968,836</td>
<td>142,248,899</td>
<td>105.7%</td>
<td>125,421,908</td>
<td>100.1%</td>
</tr>
<tr>
<td>Investments</td>
<td>365,000</td>
<td>303,692</td>
<td>609,553</td>
<td>167.0%</td>
<td>389,589</td>
<td>92.8%</td>
</tr>
<tr>
<td>Other</td>
<td>5,962,000</td>
<td>821,020</td>
<td>6,302,582</td>
<td>105.7%</td>
<td>4,854,977</td>
<td>80.6%</td>
</tr>
<tr>
<td>Total Current Operations Revenues</td>
<td>334,372,000</td>
<td>4,409,869</td>
<td>330,428,928</td>
<td>98.8%</td>
<td>304,233,930</td>
<td>95.5%</td>
</tr>
<tr>
<td>Auxiliary Revenues</td>
<td>13,290,000</td>
<td>795,249</td>
<td>12,084,024</td>
<td>90.9%</td>
<td>12,761,195</td>
<td>70.3%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>347,662,000</td>
<td>5,205,118</td>
<td>342,512,952</td>
<td>98.5%</td>
<td>316,995,125</td>
<td>94.2%</td>
</tr>
</tbody>
</table>

| **EXPENDITURES:**    |        |                     |                   |                    |                   |                                |
|                      |        |                     |                   |                    |                   |                                |
| Instruction-Academic | 83,487,372 | (1,256,809) | 73,981,644 | 88.6% | 72,564,113 | 85.1% |
| Instruction-Workforce| 30,334,742 | - | 29,235,276 | 96.4% | 29,057,486 | 95.3% |
| Public Service       | 611,585 | - | 553,810 | 90.6% | 674,703 | 90.3% |
| Academic Support     | 52,685,061 | - | 43,484,072 | 82.5% | 41,101,292 | 77.7% |
| Student Services     | 43,913,395 | - | 36,227,160 | 82.5% | 37,013,312 | 79.9% |
| Institutional Support| 37,529,462 | - | 29,673,045 | 79.1% | 27,968,484 | 88.1% |
| Plant Operation and Maintenance | 35,909,556 | - | 28,935,489 | 80.6% | 29,683,132 | 87.1% |
| Staff Benefits       | 32,537,498 | - | 27,755,137 | 85.3% | 25,677,829 | 95.8% |
| Total Educational and General Expenditures | 317,008,671 | (1,256,809) | 269,845,633 | 85.1% | 263,740,351 | 85.5% |
| Repair, Replacement and Other Expenditures | 5,562,000 | (1,500,000) | 3,652,577 | 66.3% | 2,797,583 | 55.4% |
| Internally Designated | 12,621,707 | 990,657 | 9,731,019 | 77.1% | 14,535,201 | 78.2% |
| Total Expenditures   | 335,192,378 | (1,766,152) | 283,262,229 | 84.5% | 281,073,135 | 84.7% |
| Other Changes - Debt Service & Fund Transfers | 7,500,000 | - | 5,609,920 | - | 6,979,844 | - |
| Total Expenditures & Transfers | 342,692,378 | (1,766,152) | 288,872,149 | - | 288,052,979 | - |

**NET INCREASE IN FUND BALANCES**

- General Funds: $4,301,329 + 7,166,678 = 51,287,798 = 30,716,152
- Auxiliary Funds: $668,293 + $195,408 = 2,353,005 = (1,774,006)

**TOTAL NET INCREASE IN FUND BALANCES**

$4,969,622 + $6,971,270 + $53,640,803 = $28,942,146

**LONG TERM CASH RESERVES:**

- Revised Forecasted Net Increase in Fund Balance: $11,940,892
- FY 2017 "One-Time" Cash Transactions: $(3,747,126)
- Beginning Cash Reserves, 9/1/2016: $42,055,920
- Forecasted Cash Reserves, 8/31/2017: $50,249,686

**LONG TERM CASH RESERVES AS A % OF EXPENDITURES**

15.1%
### LONE STAR COLLEGE

**Balance Sheet**  
**July 31, 2017**  
**Unaudited**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>General &amp; Auxiliary</th>
<th>Restricted</th>
<th>GASB Reporting Totals</th>
<th>Memorandum Totals</th>
<th>Memorandum Current Year</th>
<th>Memorandum Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents &amp; investments</td>
<td>$66,278,824</td>
<td>$258,155,843</td>
<td>$324,434,667</td>
<td>$222,668,279</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>19,458,434</td>
<td>3,404,320</td>
<td>4,971,529</td>
<td>27,834,283</td>
<td></td>
<td>28,849,345</td>
</tr>
<tr>
<td>Prepaid and deferred expenses</td>
<td>16,843,860</td>
<td>-</td>
<td>-</td>
<td>16,843,860</td>
<td>13,474,241</td>
<td></td>
</tr>
<tr>
<td>Inventories, at cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>-</td>
<td>-</td>
<td>791,179,737</td>
<td>791,179,737</td>
<td>779,934,238</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>102,581,118</strong></td>
<td><strong>261,560,163</strong></td>
<td><strong>796,151,266</strong></td>
<td><strong>1,160,292,547</strong></td>
<td><strong>1,044,932,343</strong></td>
<td></td>
</tr>
<tr>
<td>Deferred Outflows</td>
<td>-</td>
<td>-</td>
<td>21,100,577</td>
<td>21,100,577</td>
<td>8,864,100</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS AND DEFERRED OUTFLOWS</strong></td>
<td><strong>102,581,118</strong></td>
<td><strong>261,560,163</strong></td>
<td><strong>817,251,843</strong></td>
<td><strong>1,181,393,124</strong></td>
<td><strong>1,053,796,443</strong></td>
<td></td>
</tr>
</tbody>
</table>

**LIABILITIES AND FUND BALANCES**

<table>
<thead>
<tr>
<th>LIABILITIES:</th>
<th>General &amp; Auxiliary</th>
<th>Restricted</th>
<th>GASB Reporting Totals</th>
<th>Memorandum Totals</th>
<th>Memorandum Current Year</th>
<th>Memorandum Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable &amp; Accrued Absences Payable</td>
<td>$2,755,809</td>
<td>$12,620,467</td>
<td>-</td>
<td>15,376,276</td>
<td>12,890,651</td>
<td></td>
</tr>
<tr>
<td>Deferred revenues</td>
<td>4,740,041</td>
<td>4,113,579</td>
<td>-</td>
<td>8,853,620</td>
<td>8,699,492</td>
<td></td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>-</td>
<td>15,750,616</td>
<td>-</td>
<td>15,750,616</td>
<td>14,357,688</td>
<td></td>
</tr>
<tr>
<td>Bonds payable</td>
<td>-</td>
<td>-</td>
<td>828,516,273</td>
<td>828,516,273</td>
<td>715,158,715</td>
<td></td>
</tr>
<tr>
<td>Net Pension Liability</td>
<td>-</td>
<td>-</td>
<td>51,162,604</td>
<td>51,162,604</td>
<td>48,590,998</td>
<td></td>
</tr>
<tr>
<td>Assets held in custody for others</td>
<td>-</td>
<td>9,137,655</td>
<td>-</td>
<td>9,137,655</td>
<td>8,481,167</td>
<td></td>
</tr>
<tr>
<td>L/T Due to Other Local Government</td>
<td>-</td>
<td>16,294,135</td>
<td>-</td>
<td>16,294,135</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>7,495,850</strong></td>
<td><strong>57,916,452</strong></td>
<td><strong>879,678,877</strong></td>
<td><strong>945,091,179</strong></td>
<td><strong>808,178,711</strong></td>
<td></td>
</tr>
<tr>
<td>Deferred Inflows</td>
<td>-</td>
<td>-</td>
<td>23,436,941</td>
<td>23,436,941</td>
<td>14,864,130</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND DEFERRED INFLOWS</strong></td>
<td><strong>7,495,850</strong></td>
<td><strong>57,916,452</strong></td>
<td><strong>903,115,818</strong></td>
<td><strong>968,528,120</strong></td>
<td><strong>823,042,841</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL FUND BALANCES</strong></td>
<td><strong>95,085,268</strong></td>
<td><strong>203,463,711</strong></td>
<td><strong>(85,863,975)</strong></td>
<td><strong>212,865,004</strong></td>
<td><strong>230,753,602</strong></td>
<td></td>
</tr>
<tr>
<td>**TOTAL LIABILITIES, DEFERRED INFLOWS AND</td>
<td><strong>102,581,118</strong></td>
<td><strong>261,560,163</strong></td>
<td><strong>817,251,843</strong></td>
<td><strong>1,181,393,124</strong></td>
<td><strong>1,053,796,443</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Includes GASB (Governmental Accounting Standards Board) reporting entries related to Capital Assets, Long-Term Debt, and Pensions
<table>
<thead>
<tr>
<th>OPERATING FUNDS 07/31/2017</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING CASH</strong></td>
<td></td>
</tr>
<tr>
<td>POOLS</td>
<td>$14,248,218</td>
</tr>
<tr>
<td>MONEY MARKET ACCOUNTS</td>
<td>$1,800,379</td>
</tr>
<tr>
<td><strong>Operating Cash - Subtotal</strong></td>
<td>$16,048,597</td>
</tr>
<tr>
<td><strong>CASH RESERVES</strong></td>
<td></td>
</tr>
<tr>
<td>US GOVT. AGENCIES</td>
<td>$40,827,269</td>
</tr>
<tr>
<td>MUNICIPAL BOND</td>
<td>$4,226,791</td>
</tr>
<tr>
<td>COMMERCIAL PAPER</td>
<td>$6,979,160</td>
</tr>
<tr>
<td><strong>Cash Reserves - Subtotal</strong></td>
<td>$52,033,220</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$68,081,817</td>
</tr>
</tbody>
</table>
Report: Construction Projects Update

The monthly construction projects update is presented for Board review.
CONSTRUCTION PROJECTS UPDATE
As of July 31, 2017

2014 General Obligation Bond Program Projects Summary

LSC-CyFair

- **Instruction and Student Life Building**: This project has received a Certificate of Occupancy from the Fire Marshal. Test and balancing of the project portion of the Central Plant water system converging with the existing campus system is complete. Movable furniture and technology connections are complete, tested, and ready for use. The project is substantially complete with classes starting in new classrooms. Exterior landscape and hardscape is near completion. Ribbon cutting is slated for September 18, 2017.

- **Cypress Center Workforce Expansion**: This project has received a Certification of Occupancy from the Fire Marshal and the substantial completion certificate has been issued for the project. Installation of lab tables and furniture is complete. A/V equipment is functional and tested.

- **Westway Park Information Technology & Visual Communications Satellite Center**: Project proposal documents are now updated and complete.

LSC-Kingwood

- **Student Services Center Expansion**: The new expansion has opened for occupancy. Installation of all equipment and furniture is complete. White boards for study rooms have a pending purchase order. Graphics have been installed and the accessibility inspection is pending. Final punch list items and project closeout are underway.

- **Kingwood Pilot Plant**: Preconstruction services are complete. Final price and scope negotiations for the Guaranteed Maximum Price (GMP) proposal have been approved. Notice to Proceed (NTP) has been issued and the Contractor is mobilizing. This facility is slated for an expected Spring 2018 opening.

- **Process Technology Center**: Exterior masonry is complete and window installation is continuing. Interior wall prime and paint have started. Mechanical equipment has been delivered and installation is underway. The electrical duct bank is complete and irrigation has started. The north drive and turn lane are in progress along with the furniture and equipment orders. This project is due to be substantially complete by late-August 2017. A combined opening is planned for the Process Technology Center and the Kingwood Pilot Plant in January 2018.

LSC-Montgomery

- **Live Entertainment Technology Building**: The building is complete and we are gathering close out documentation. There is an opening planned for August 24, 2017.

LSC-North Harris

- **Construction & Skilled Trades Technology Center**: The project was substantially complete on July 7, 2017. Punch lists have been issued and are being addressed by the Construction Manager at Risk (CMAR). Close out is underway. Equipment training for the LSC facilities personnel has been completed. The campus occupied the building August 21, 2017.
• **East Aldine Satellite Center**: Finalization of the construction documents to address code and program changes will commence upon approval of an amendment to the architect’s contract. Anticipated cost increases for the facility will need to be reviewed and approved by both Lone Star College and Aldine Independent School District. A GMP will be brought to the LSC Board for action in February or March 2018. Construction is expected to extend through Fall 2019.

• **Relocate Electrical Service Underground**: Grounds repairs are complete and the contract is being closed out.

• **Central Plant Renovations**: The scope of work is being reconsidered by campus facilities. Revisions, if any, should be established soon and the project will be sent to Purchasing for procurement.

• **Transportation Institute**: The property has been acquired and programming completed. A draft of the final program document is under review for approval by LSC.

**LSC-Tomball**

• **South Entrance Drive**: Lazer Construction Company continues with excavation of the detention pond. Storm utility work is in progress with this project’s storm lines tying into HCTRA’s main roadway storm system. Driveway subgrade earthwork is in progress with stabilization to start soon. The projected completion is early December 2017.

**LSC-University Park**

• **Science and Innovation Building**: The building is now connected with water and sanitary services. Substantial completion is expected to be achieved by September 15th. Stone is being prepared for the rock wall installation and systems within the facility are undergoing final testing. The building is expected to be in full use beginning the Spring semester of 2018.

• **Buildings 12 & 13 Entrance Canopy and Parking**: The traffic study has been approved and the Construction Manager at Risk (CMAR) contract is being reviewed.

• **Library Remodel, Building 12 Level 8**: This project has been issued as a Competitive Sealed Proposal (CSP) #501. Proposals have been received and evaluations are in process. The revised expected completion timeframe is Summer 2018.

• **Kitchen Removal, Commons Building Level 1**: This project is to be issued for competitive sealed proposals in August. A revised expected completion timeframe will be forthcoming.

• **Student Life Renovation, Commons Building Level 2**: Design Development drawings and preliminary pricing are underway. Expected completion date is anticipated for summer 2018.

**System-wide Security Upgrades**

• Satellite center mass communication upgrades are complete. Security and mass notification upgrades at main campuses will be procured and contracted in two phases. The procurement has been put on hold until further notice.