



MEETING NOTES

MEETING: **Bond Oversight Committee Meeting**
Bond Oversight Committee Q3 2018 Meeting

LOCATION: Hattie Mae White Educational Support Center
4400 West 18th St.
Houston, TX 77018

DATE: Oct. 23, 2018

TIME: 8:30 A.M.

PRESENT: **Bond Oversight Committee (BOC)**
Mr. Michael G. Davis
Mr. Craig Johnson
Mr. Robert M. Eury
Mr. Gusta Booker
Mr. David Quan
Mr. Gary White

Houston Independent School District (HISD)
Mr. Brian Busby, Chief Operating Officer
Mr. Eugene Salazar, Business Operations
Ms. Mary Lehnartz, Business Operations
Mr. Derrick Sanders, Construction Services
Mr. Dan Bankhead, Construction Services
Mr. Andreas Peeples, Construction Services
Ms. Alexis Licata, Business Logistics & Purchasing
Ms. Cheryl Smith, Business Solutions
Ms. Mary Rochon, Construction Services
Ms. Yesenia Taylor, Business Solutions
Ms. Tonya Savoie, Business Solutions
Mr. James Moore, Capital Project Accounting
Ms. Holly Huffman, Strategic Engagement & Outreach
Ms. Christi Landry, Strategic Engagement & Outreach
Mr. Alejandro Banegas, Strategic Engagement & Outreach
Ms. Rebecca Kiest, Strategic Engagement & Outreach
Ms. Antonia Jones, Strategic Engagement & Outreach
Ms. Mariauna Hernandez, Strategic Engagement & Outreach
Mr. John Gerwin, Construction Services
Ms. Quinnise Miller, Principal, Smith Elementary
Ms. Erica Parker, Strategic Engagement & Outreach
Mr. Perry Weston, Communications
Ms. Estefania Espinosa, Strategic Engagement & Outreach

ABSENT: Ms. Phoebe Tudor
Mr. D.V. "Sonny" Flores

The general purpose of the meeting was to brief the Bond Oversight Committee on third quarter progress of the new construction and renovation projects funded through the 2012 Facilities Capital Program. Related issues, questions, and activities were also discussed:

HOUSTON INDEPENDENT SCHOOL DISTRICT

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- Item 1 Welcome**
Construction Services Officer Derrick Sanders welcomed Bond Oversight Committee members and other guests at 9 a.m.
- Item 2 Minutes from July 24 Meeting**
Mr. Sanders asked the group to approve the minutes from the July 24 meeting (Page 145). They were approved unanimously.
- Item 3 Video Presentation**
Mr. Sanders introduced a video presentation highlighting the 13 schools that opened during the third quarter.
- Item 4 Third Quarter Construction Update**
Mr. Sanders reported that schools that opened for the start of the 2018-2019 school year included new buildings for Washington and Yates high schools, High School for Law and Justice, Lawson Middle School, and Askew Elementary School. Campuses opening new additions or renovations include Eastwood, Pilgrim, and Young Women’s College Preparatory academies, and Wilson and Garden Oaks Montessori schools. Non-bond funded schools that opened include Energy Institute High School, Hilliard Elementary, and Braeburn Village, a temporary campus housing Braeburn Elementary while their school is being rebuilt. Mr. Sanders stated that he believes HISD set a record during the quarter for the highest number of schools to be opened at one time, and reported that 74 percent of construction was completed by the end of the third quarter.
- Item 5 Looking Ahead**
Mr. Sanders reported that six schools are set to open new buildings or additions in January, 2019, bringing the construction completion rate to 83 percent. Schools opening in January are HSPVA, Worthing High School, Jordan High School for Careers, Wharton Dual Language Academy, Madison High School, and Sam Houston Math, Science, and Technology Center, which is opening ahead of schedule. Heading into 2019, only four schools in the bond program will remain under construction: Lamar, Northside, Austin, and Bellaire high schools.
- Item 6 Supplier Diversity (M/WBE) Report and Community Outreach**
Business Solutions General Manager Yesenia Taylor told the committee about three M/WBE workshops that had been held during the third quarter — *The Tax Cuts and Jobs Act of 2017* in July, *How to Dissolve Conflict on the Spot When Conversations Become Difficult* in August, and *Common Wage Violations in the construction Industry* in September. She also discussed other outreach activities the team had participated in including events with City of Houston-Houston Airport System, East End Chamber of Commerce, Greater Houston Black Chamber, Greater Houston Business Procurement Forum, Houston Minority Supplier Development Council, Minority Business Development Agency, Port of Houston, Women’s Business Enterprise Alliance. She noted that the M/WBE participation rate continues to exceed board-established goals at slightly over 28 percent.



Item 7 Financial Reports

Senior Manager of Accounting James Moore reported the total budget for the 2012 Bond program was \$2.1 billion (original + supplemental), with total commitments through the third quarter of \$1,782,490,294, including \$249,004,820 in encumbrances and actual expenditures of \$1,533,485,474. Funds available to complete projects is \$319,959,669.

Item 8 Bond Communications

Business Operations Strategic Engagement and Outreach General Manager Holly Huffman reported that the team held four milestone events in the second quarter: High School for Law and Justice, Lawson Middle School, Energy Institute High School, and Washington High School. They also focused on preparing for the 13 new schools that opened in August, including working with school administrators to provide parent communications, including letters, callouts, maps, FAQs and creating social media teaser videos for all new campuses to generate buzz in advance of their openings. On the first day of school, the team provided full, on-site coverage to promote the new campuses. Ms. Huffman said the team also continues to grow the @Build_HISD twitter account, noting that the number of followers continues to grow steadily. She further noted that the team will be planning additional milestone events during the fourth quarter and preparing communications for schools that will open in January.

Item 9 Q&A

Mr. White asked when the final 2012 Bond Project would be complete. Mr. Sanders stated that the final project, Bellaire High School, is scheduled for completion in the fourth quarter 2020.

There was general discussion about the possibility of scheduling another bond referendum. Mr. Busby stated that he plans to discuss this with BOC members in the next two quarters, and that he hopes to engage them and obtain their feedback about a future bond program.

Mr. White asked if funds had been allocated for maintenance and upkeep of the new schools. Mr. Busby stated that budget cuts and state-mandated recapture payments have cut heavily into the maintenance budget, but they are tracking and prioritizing needs, and using materials in new construction that require less upkeep.

Mr. Booker stated that he was impressed with the outreach, engagement, and social media efforts of the team and noted that it is important to keep the community informed of bond progress.

Mr. Johnson commended the team for being good stewards of the bond and complimented the work on engaging M/WBEs and the communications and community engagement pieces, which he said were much needed, and had been lacking in previous bonds.



Item 10 Executive Session

Mr. Sanders thanked attendees participating in the meeting. BOC members then adjourned into Executive Session.

The information outlined above reflects the author's understanding of the key discussions and decisions reached during this meeting. Should there be any additions and/or clarifications to these meeting notes, please notify the author in writing promptly. These notes will be relied upon as the approved record of the meeting, unless a written notice to the contrary is sent to the author within seven (7) days of the submission of these meeting notes.

Prepared by HISD Business Operations Strategic Engagement and Outreach