



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
MEETING / CONFERENCE CALL MINUTES**

December 4, 2017

1 Tigert Hall, University of Florida, Gainesville, FL

Time Convened: 3:00 p.m. EST

Time Adjourned: 4:04 p.m. EST

Call to Order and Welcome

Committee Chair, Rahul Patel called the meeting to order at 3:00 p.m. EST.

Members present were:

Rahul Patel (Chair), David L. Brandon, Mori Hosseini, Leonard H. Johnson, and Anita G. Zucker. Trustees Jason Rosenberg and Steven Scott were unable to attend.

Others present were:

Michael McKee, Vice President and Chief Financial Officer; Curtis Reynolds, Vice President for Business Affairs; Charles Lane, Sr. Vice President and Chief Operating Officer and other members of the University community.

Chair Patel opened the meeting by reminding Trustees that the purpose of this call was to review the items on the agenda for the Board of Trustees meeting being held December 14-15, 2017, for information purposes. No action was taken on any items.

FF1. Veterinary Medicine Energy Plant Energy Efficiency Contract

Vice President for Business Affairs Curtis Reynolds presented FF1 noting that the stand-alone energy plant supporting the Veterinary Medicine complex is now considered to be past its useful life, requiring major investments in maintenance. In December 2016, Siemens was engaged to perform an energy assessment. With that study complete, the committee will be asked to approve the performance of an investment grade audit to determine upgrades and potential savings. Reynolds said a new plant is expected to cost \$25 million with funds for construction coming from the auxiliary funds account and internal loans from campus. The money would be paid back with the energy savings, which are guaranteed by Siemens. Mr. Reynolds anticipates that the new project would result in savings of over \$8 million in energy costs and \$25 million in cost avoidance for a total of \$32 million.

The Trustees asked that a short summary of the financing be included in the Board materials.

FF2. University Transportation and Parking Services Project Cost and Maximum Bond Principal Indebtedness

Dr. Charles Lane, Sr. Vice President and COO, outlined the need for a new parking garage. Supply is falling significantly behind demand for parking spaces and this will only increase as UF hires 500 new faculty and constructs new facilities on the site of current parking. UF administrators have identified space for construction of a seven-story parking facility providing approximately 1,950 spaces on the current commuter lot on Gale Lemerand Drive. The estimated cost is no more than \$34,200,000.

There were some concerns raised about location, cost and cost of financing. Dr. Lane agreed to look into the concerns and discuss them with Trustees before the full meeting when Trustees will be asked to approve a maximum project cost of \$34,200,000.

FF3. Acquisition of Real Property

After a competitive bid process, UF Health was selected by Raydient Places + Properties as the health care partner for a new master planned community near Jacksonville, FL. Part of the plan includes a new primary care and urgent care medical facility on 7.75 acres of land currently owned by Raydient. Dr. Leon Haley, Dean of the College of Medicine-Jacksonville, told Trustees that the \$3.65 million acquisition has been approved by the University of Florida Jacksonville Physicians, Inc., governing board and due diligence, including several studies to assess the land value, has been done.

Discussion/Informational Items

5.1 UF Central Energy Plant replacement

Dr. Charles Lane outlined the need to begin planning for a new central energy plant to supply campus with reliable, cost efficient energy. The current plant is old and faces massive deferred maintenance needs and is due to be dismantled by 2025. The current plant also sits on seven acres of prime land near the Health Science Center. Dr. Lane noted that UF is just one of a number of large universities looking at the need to build replacement energy plants. Several trustees noted that this is something that UF has to do and a great deal of time has already been spent on location and planning.

5.2 Construction report

Curtis Reynolds, Vice President for Business Affairs, outlined three projects that will be highlighted at the upcoming meeting including the Innovation Hub Phase II, which is now complete; the Career Resource Center and the Herbert Wertheim Laboratory for Engineering Excellence (Nuclear Science Building).

5.3 UFICO Update

William Reeser, Chief Investment Officer and Edward Kelly, Chief Operating Officer, University of Florida Investment Corporation will update trustees at the meeting.

Adjourn

The meeting was adjourned at 4:04 p.m. EST.