



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES’
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE MINUTES
Meeting/Telephone Conference Call Meeting
March 13, 2017
1 Tigert Hall, Gainesville FL
Time Convened 8:00 a.m. EDT
Time Adjourned: 8:30 a.m. EDT**

1.0 Verification of Quorum

While a quorum was not required for this purely informational meeting, Vice President, General Counsel and University Secretary Jamie Lewis Keith confirmed a quorum by roll call of the Committee on Finance and Facilities with all members present except Trustees Steven Scott and Jason Rosenberg who were unable to attend.

Members present were:

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

Others present were:

Michael McKee, Vice President and Chief Financial Officer; Curtis Reynolds, Vice President for Business Affairs; Jamie Lewis Keith, Vice President, General Counsel and University Secretary; Charles Lane, Sr. Vice President and Chief Operating Officer; Lee Nelson, Director of Real Estate; Alan West, Assist. Vice President and University Controller; Carlos Dougnac, Asst. Vice President, Planning, Design and Construction; Eugene Herring, Director of Capital Programs; Craig Hill, Asst. Vice President, Business Affairs; Colt Little, Sr. University Counsel; David Guzick, Sr. Vice President for Health Affairs; Michael Good, Dean, UF College of Medicine; Melissa Orth, Sr. Director of Government Relations and Asst. University Secretary; Christine Gaynor, Executive Assistant; and Brigit Dermott, Executive Assistant and other members of the university community.

2.0 Call to Order and Welcome

Committee Chair Rahul Patel welcomed everyone in attendance and called the meeting to order at 8:00 a.m. EDT. He advised the Committee members that this was an informational meeting to prepare for the March 16, 2017 regular meeting and that no action would be planned or taken at this preparatory meeting.

3.0 Action Items

FF1. Lease of Real Property

Lee Nelson, UF Director of Real Estate, outlined the request for approval to lease a parcel of land on Newnans Lake, adjacent to land already leased by the University for education and recreational uses. The parcel is currently leased by another State of Florida department. There being no questions, the committee moved on to the next action item.

FF2. Transportation and Parking Auxiliary – Covenants Relating to Facilities with Outstanding Revenue Bonds

Assistant Vice President for Business Affairs, Craig Hill, reviewed the request for approval of the operating budget detail for the Transportation and Parking auxiliary, as required by the Board of Governors. In particular, he highlighted line 7, ending replacement reserves showing reserves of around \$5 million annually, line 8 outlining ending operating cash and line 9, a summary of the two previous lines showing steady revenue growth.

Committee Chair Patel asked for any questions and, there being none, the committee moved to the next action item.

FF3 and R17-187. Naming.

Vice President and General Counsel Jamie Lewis Keith noted that the committee will be asked to approve, as required by Board of Governors' regulations, the naming of the gateway plaza between Heavener Hall and the adjacent archway the "Bob Brockman Gateway." This naming is in recognition of the generous support and significant gift from UF alumnus Robert Brockman.

The chair asked for any questions and there being none, the committee moved to the next action item.

FF4 and R17-188. Naming

Vice President and General Counsel Jamie Lewis Keith noted that the committee will be asked to approve, as required by Board of Governors' regulations, the naming of the University House the "Earl and Christy Powell University House." This naming is in recognition of the generous support and significant gift for the renovation of the facility from Earl and Christy Powell.

Committee Chair Patel asked for any questions and, there being none, the committee moved to the next action item.

FF5. Medical Office Building II - Springhill

Dr. David Guzick, Sr. Vice President of Health Affairs and President UF Health Shands, and Dr. Michael Good, Dean of the College of Medicine, presented the outline of plans for a new medical office building to consolidate UF practices as outlined in the 2010 strategic plan. The proposed Springhill Medical Office Building II will house practices currently located in separate facilities, and will allow Florida Clinical Practice Association, Inc., (FCPA) to eliminate two leases. After exploring the idea of working with a private developer, FCPA was advised to seek financing and has arranged 100 percent direct financing at currently available favorable rates, which will be well below 4%.

Trustee Hosseini congratulated the group on an outstanding job getting very favorable terms for the new office building. Committee Chair Patel asked for any questions and, there being none, the committee moved to the next action item.

FF6. University Transportation and Parking Services Project Cost and Maximum Bond Principal Indebtedness

Vice President for Business Affairs Curtis Reynolds reported that he will be seeking approval of a final bond amount for the planned parking garage across from the UF Welcome Center. The committee had previously approved a request for bonding not to exceed \$37.2 million but also required approval once a final project cost and associated bond needs were determined. Meetings with UF staff and Trustee David Brandon along with design and cost analysis resulted in an opportunity to tighten costs to bring the final expected cost to no more than \$30.3 million, a savings of almost \$7 million.

Vice President Jamie Keith noted that the committee will be asked for two separate approvals. One will give approval for the project itself, and the other will be an approval for the bond agreement. Responding to a question from Trustee Hosseini, Mr. Reynolds assured the group that the look of the parking garage will incorporate features to complement the surrounding architecture.

Committee Chair Patel asked for any further questions and, there being none, the committee moved to the discussion items.

4.0 Discussion/Informational Items

Committee Chair Patel indicated that with the exception of 5.1, discussion items would be reviewed at the full committee meeting on March 16, 2017.

5.1 Quarterly Financial Update

Assistant Vice President and University Controller Alan West outlined the latest quarterly unaudited financial statements, noting that cash and investment income had increased primarily due to improved market conditions. So far this year, there has been growth of 3.04 percent versus a negative 2.15 percent last year. He also highlighted the deferred outflows of pension issues, outlining pension assets and liabilities. This item is required under GASBY 68 provision and will vary greatly from year to year.

5.0 New Business

Trustee Hosseini raised the question of banking services provided to UF. Vice President and Chief Financial Officer Michael McKee reported that he would provide Trustee Hosseini with information about UF's banking relationships and financial services.

6.0 Adjourn

After asking for any further discussion and hearing none, Committee Chair Patel asked for a motion to adjourn, which was made by Trustee Hosseini and a second, which was made by Trustee Brandon. The motion was passed unanimously and the University of Florida Committee

on Finance and Facilities meeting / telephone conference call meeting was adjourned at 8:30 a.m. EDT.