



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE MINUTES**

March 22, 2018

President's Room 215B, Emerson Alumni Hall

University of Florida, Gainesville, Florida

Time Convened: 3:01 p.m. EDT

Time Adjourned: 4:25 p.m. EDT

1.0 Verification of Quorum

Interim Vice President and General Counsel Amy Hass verified a quorum of the Committee on Finance and Facilities, with all Trustees present.

Members present were:

Rahul Patel (Chair), David L. Brandon, Leonard H. Johnson, Jason J. Rosenberg, Anita G. Zucker, Mori Hosseini

Others present were:

University of Florida Trustees; W. Kent Fuchs, President; Charles Lane, Vice President and Chief Operating Officer; Amy Hass, Interim Vice President and General Counsel; Michael McKee, Vice President and Chief Financial Officer; Curtis Reynolds, Vice President for Business Affairs; Scott Stricklin, University Athletic Director; other members of the President's Cabinet and University community and the media.

The meeting opened with Trustee Rosenberg recognizing the accomplishments of UF Track and Field coach Mike Holloway whose team recently won its eighth National Championship.

2.0 Call to Order and Welcome

Committee Chair Rahul Patel welcomed everyone in attendance and called the meeting to order at 3:01 p.m. EDT.

3.0 Review and Approval of Minutes

Committee Chair Patel asked for a motion to approve the minutes from the December 4, 2017 and December 14, 2017 meetings, which was made by Trustee Brandon and a second, which was made by Trustee Johnson. The Committee Chair asked for further discussion, and then for all in favor of the motion and any opposed, and the motion was approved unanimously.

The Committee considered the following Action Items:

4.0 Action Items

FF1. Transportation and Parking Auxiliary – Covenants Relating to Facilities with Outstanding Revenue Bonds

Curtis Reynolds, Vice President for Business Affairs, outlined the data required by the Board of Governors regarding facilities with outstanding revenue bonds. The required data includes actual revenue and expenses for 2016-17, estimated levels for 2017-18 and projected revenue and expenses in 2018-19. Committee Chair Patel asked for any questions or further discussion. He then asked for a motion to approve Committee Action Item FF1 for recommendation to the Board for its approval on the Consent Agenda, which was made by Trustee Brandon, and a second which was made by Trustee Zucker. The Committee Chair asked for further discussion, and then asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

FF2. University Infrastructure Strategy: Electricity – Steam – Chilled Water

Senior Vice President and Chief Operating Officer Charlie Lane noted that this item has been presented to the Committee several times as an information item. SVP Lane gave a presentation that detailed a description of the project, the impetus for the new infrastructure strategy (also known as the central energy plant project), due diligence and the proposed funding plan. Dr. Lane noted that all top 20 public universities are now grappling with-similar aging infrastructure issues.

Dr. Lane noted that UF has been working with consultants and has examined a variety of funding options. A mix of bonds/debt service and internal funding is considered the best option although the University is still open to a public/private (P3) partnership. The estimated project cost is \$250 million and construction would need to start in 2019.

Trustee Hosseini asked for clarification regarding what the Committee was being asked to approve and for assurance that the University will continue to look at funding plans. It was confirmed that FF2 provides approval to continue the design phase and development of the funding plan. With this confirmation, Trustee Hosseini made a motion to approve FF2 for recommendation to the Board for its approval on the Consent Agenda, which was seconded by Trustee Brandon. The Committee Chair asked for further discussion, and then asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

FF3 and R18-194. University Athletic Associations, Inc., Bond Issuance

University Athletic Director Scott Stricklin outlined UAA plans to request a \$50 million bond issue to support construction of a new, larger baseball stadium in the south part of campus. This is one of several capital projects underway including improvements to the softball stadium complex. The funding for this project is already in hand. In terms of debt, Mr. Stricklin said UF currently has the least debt of all SEC schools.

The Committee Chair asked for any questions or further discussion. He then asked for a motion to approve Committee Action Item FF3 and R18-194 for recommendation to the Board for its approval on the Consent Agenda, which was made by Trustee Hosseini, and second which was

made by Trustee Rosenberg. The Committee Chair asked for further discussion, and then asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

FF4 and R18-195. Naming: Amy E. Lohman Apiculture Center

University of Florida Foundation Executive Director of Legal Services Susan Goffman presented FF4 and R18-195, naming the new Honey Bee Research and Extension Laboratory the Amy E. Lohman Apiculture Center.

The Committee Chair asked for any questions or further discussion. He then asked for a motion to approve Committee Action Item FF4 and R18-195 for recommendation to the Board for its approval on the Non-consent Agenda, which was made by Trustee Rosenberg, and second which was made by Trustee Johnson. The Committee Chair asked for further discussion, and then asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

FF5 and R18-196. Naming: Nancy Condron Family Sea Turtle Research Center and Hospital

Ms. Goffman presented FF5 and R18-196, naming the Whitney Lab Sea Turtle Hospital and public access area the Nancy Condron Family Sea Turtle Research Center and Hospital.

The Committee Chair asked for any questions or further discussion. He then asked for a motion to approve Committee Action Item FF5 and R18-196 for recommendation to the Board for its approval on the Non-consent Agenda, which was made by Trustee Brandon, and second which was made by Trustee Zucker. The Committee Chair asked for further discussion, and then asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

FF6 and R18-197. Naming: Thompson Center for Earth Systems

Ms. Goffman presented FF6 and R18-197, naming the proposed Center for Earth Systems the Thompson Center for Earth Systems.

The Committee Chair asked for any questions or further discussion. He then asked for a motion to approve Committee Action Item FF6 and R18-197 for recommendation to the Board for its approval on the Non-consent Agenda, which was made by Trustee Zucker, and second which was made by Trustee Rosenberg. The Committee Chair asked for further discussion, and then asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

5.0 Discussion items

5.1 Quarterly Financial Update

Vice President and Chief Financial Officer Mike McKee noted that the quarterly financial report was reviewed on the March 15 meeting / conference call. He thanked the Committee for its input regarding additional information it would like to see included at the next meeting. There were no questions from the Committee.

5.2 Five-Year Capital Improvement Plan Overview

Vice President for Business Affairs Curtis Reynolds reviewed the updated capital improvement priorities for UF over the coming five years. The top priorities continue to be funding for utilities and infrastructure improvements, the new Data Science Building, a new Music Building and a new addition to the Florida Natural History Museum.

VP Reynolds reported that the funding request for a Music Building will be resubmitted next year. The funding request for the new addition to the Florida Museum of Natural History has been moved back one year as the scope of the project has shifted to encompass the Thompson Center for Earth Systems. Reynolds noted that the Committee will receive an Action Item on the five-year Capital Improvement Plan at its June meeting.

5.3 Construction Report

Curtis Reynolds presented the Construction Report, highlighting some current projects including:

- Herbert Wertheim Laboratory for Engineering Excellence (Nuclear Science)
- The Career Resource Center
- Norman Hall Rehabilitation and College of Education Center Addition
- Campus Security Lighting Upgrades (Phase 1)

5.4 UFICO Update

Ed Kelly, Chief Operating Officer for UFICO, updated the Committee on UF endowments. The 2018 fiscal year-to-date returns are 6.9 percent and this quarter they were up 3.8 percent. UF's endowment performance is generally in line with the median of other peer universities. Chair Patel requested that future reports highlight how we are doing against peer universities it was agreed that this information will be incorporated in future reports.

Adjourn

After asking for further discussion and hearing none, Committee Chair Patel adjourned the Committee on Finance and Facilities meeting at 4:04 p.m.