



COMMITTEE ON FACILITIES AND CAPITAL INVESTMENTS

Meeting Minutes

Telephone Conference Call

March 4, 2019

123 Tigert Hall, University of Florida, Gainesville, FL

Time Convened: 10:00 a.m.

Time Adjourned: 10:55 a.m.

Committee and Board members present:

Morteza Hosseini (Chair), Leonard H. Johnson, Daniel T. O’Keefe, Rahul Patel, Robert G. Stern, Katie Vogel Anderson and Anita G. Zucker

Others present:

Charlie Lane, Senior Vice President and Chief Operating Officer; Amy Hass, Vice President and General Counsel; Mark Kaplan, Vice President for Government and Community Relations; Curtis Reynolds, Vice President for Business Affairs; Win Phillips, Executive Chief of Staff; Jeanna Mastrodicasa, Associate Vice President for Agriculture and Natural Resources; Susan Goffman, Executive Director for Legal Services, UF Foundation; Craig Hill, Associate Vice President for Business Affairs and other members of the University community.

1.0 Roll Call

Board staff called the roll and noted those Trustees that were in attendance.

2.0 Call to Order and Welcome

Chair Hosseini welcomed everyone to the meeting.

3.0 Review Agenda Items for March 28, 2019

Chair Hosseini stated that Vice President for Business Affairs Reynolds and Executive Director for Legal Services Goffman would review agenda items for the March meeting.

Transportation and Parking Auxiliary Update

Vice President Reynolds reviewed the covenants relating to auxiliary facilities with outstanding revenue bonds. In order to satisfy bond covenants, the Board of Governors adopted Regulation 9.008, requiring University Boards of Trustees to approve and submit operating budget detail for auxiliary facilities with such bond covenants and to report the anticipated amount to be deposited in an auxiliary maintenance and equipment reserve fund. Such reserve amounts are determined by the Board of Trustees in accordance with institutional policy and/or bond covenant requirements. Vice President Reynolds noted, the statement demonstrates adequate maintenance reserves and strong financials. Senior Vice President Lane noted, he was not aware

of any threshold minimums required. Associate Vice President Hill added that the bond series 2018A covenants do not provide any guidance on a reserve balance to be maintained in the maintenance and equipment reserve, therefore adequate reserve balances are determined by institutional policy for the Transportation and Parking operation. Transportation and Parking Services works with an outside consulting firm to establish an asset management and budget plan for identifiable facility repairs and maintenance. Chair Hosseini asked what the study results were. Associate Vice President Hill indicated the need to spend \$1.0-\$1.5M annually to maintain parking facilities based on the plan set by the consultants. Associate Vice President Hill also stated that Transportation and Parking Services has taken a conservative approach to maintaining a maintenance and equipment reserve balance which is intended for unusual or extraordinary maintenance and equipment needs, in the \$3m to \$4m range because of the large number of on-campus garage facilities and the relative age of these facilities. Chair Hosseini confirmed they support a conservative approach and asked that we have a road map for next year that includes where do we go and provide actual numbers. Chair Hosseini asked Associate Vice President Hill to further evaluate the appropriateness of the approach to setting an expectation for the maintenance and equipment reserve balance by identifying industry standards and by obtaining third-party confirmations. Associate Vice President Hill agreed to obtain this information and report back to the Committee. Trustee O'Keefe noted that capital reserves maintenance expenses are not linear because of the aging facilities. Associate Vice President Hill replied that we are doing a five-year capital expenditure plan now that will include the annual maintenance and equipment needs. Trustee O'Keefe noted they would all be interested to see that when done.

Naming Updates

Executive Director for Legal Services, Susan Goffman reviewed the naming updates for approval. Trustee Stern asked if there is a new gift agreement, prior naming and the facility is moved what does the prior gift agreement mean if the location moves? Ms. Goffman indicated the Foundation and Gator Boosters work closely with the families involved. They will work on plan to use going forward. Chair Hosseini stated the board needs to know the criteria for each naming in order for them to be approved as well as a general process. He wants to make sure all clearly understand what we are voting on. Ms. Goffman said she will get more information to the board on how naming decisions are brought forward and details on the current namings being requested for approval. She will present the updated information at the March 29 board meeting.

Amendment to Fixed Capital Outlay Legislative Budget Request

Vice President Reynolds reviewed the updated Fixed Capital Outlay Legislative Budget Request. The original request was initially submitted to the Florida Board of Governors August 1, 2018. The submission included the "Back of Bill" (BOB-2) projects list requesting Legislative authority. This requested amendment seeks to include two additional projects including authorizing UF to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019, in an amount not to exceed \$6,250,000 for the Holland Law School Hot Water Conversion and Other Repairs; and authorizing an amount not to exceed \$4,250,000 for the Dental Sciences Building Deferred Maintenance needs and Other Repairs. He noted Tim Jones from the Board of Governors supported the request. Chair Hosseini asked about the Architect School needs. Vice President Reynolds reported they have identified unrestricted

funds for that facility. He restated that the action is needed with the board for the projects above to alleviate any scrutiny of the carryforward funds. He asked the Committee for permission to contact the BOG of our intent to bring ratified action to the BOG. The Committee instructed Vice President Reynolds to move forward with Trustee Johnson's motion and Trustee Stern's second.

Capital Improvements Update

Vice President Reynolds updated the Committee on the next fiscal year Fixed Capital projects. He noted they will have actual appropriations at the June meeting as the legislature is still in session. Chair Hosseini reminded the Committee of the partial funding received for the two projects on the PECO list including Data Science and the Music Building. Trustee Stern asked if the new leadership in Tallahassee was STEM focused. Vice President Kaplan stated they were interested in a broad allocation of resources and fairness. Trustee O'Keefe asked the status of the Music Building including location and funding. Chair Hosseini reiterated we are committed to the project even though we did not get any funding last year. The site may provide an opportunity for mixed use. Vice President Reynolds added there were two additional projects underway that they are working with the UF Foundation for donor support. He noted the BOG has advised that utility infrastructure be first and then identify projects on a priority specific basis.

Construction Update

Vice President noted he would go through the detailed report at the March 29 meeting.

4.0 Discussion

Planning Updates

Vice President Reynolds provided updates on the Architecture Building, the Alcohol Storage Site, the Public Safety Building, the Student Health Care, and the Dental Tower.

- The Architecture Building RFQ is complete and they are ready to advertise.
- The Alcohol Storage Site investigations and geo work have started. The Florida Museum of Natural History in Dickison Hall currently holds collections in storage bins with flammable materials that require being moved to a new storage facility.
- The Public Safety Building is focused on the existing site to construct police and safety building. They advertise in mid-April for an architect.
- The Student Health Care architect will be advertised in mid-April.
- The Dental Tower has completed an environmental assessment. They will solicit quotes this month and respond to findings accordingly. The deferred maintenance for this building includes replacing a cast iron sanitary pipe, window and wall flashing on the third floor and replacing chilled water piping.

The Educational Plan Survey is completed every five years. This report will be given at the June board meeting and will request approval so it can be submitted to the BOG timely. They concluded Space Validation in October with the BOG with all space counts accurate and appropriate. BOG changed formulas of assessment "space factors" so there will be an assessment done in April. Office units went from 54 to 30 and research 52 to 25. These new space factors impact our buildable space. They are working with the BOG to better understand the new space

factors and how they will fit with our plans. Chair Hosseini stated this was a very serious matter. Vice President Reynolds agreed and said he will provide an update to the Committee.

Vice President Reynolds then provided an update on Duke Energy. In the current agreement, requirements include Duke to build a new substation by May 2021 and UF would be steam independent by July 2022. We are in continuing discussions.

Vice President Reynolds provided a Food Services Master Plan update. He noted this is the first ever plan for the university. The plan will cover strengths and weaknesses. Students, Faculty and Staff are asked for input. An update will be provided at an upcoming meeting on the survey results. Trustee Patel asked if there would be a third-party contract involved. Vice President Reynolds indicated the Aramark contract expires this year which will create a competitive environment and give us the best choices. He noted there has been no increase in the meal plan in four years.

4.0 New Business

There was no new business to discuss.

5.0 Adjourn

Chair Hosseini adjourned the meeting at 10:55 a.m.