



SUBCOMMITTEE ON CAPITAL INVESTMENT STRATEGY

Meeting Minutes

August 11, 2022

10:00 a.m.

University of Florida, Gainesville, FL

Time Convened: 10:00 a.m.

Time Adjourned: 1:00 p.m.

Committee and Board members present:

David L. Brandon (Chair), Morteza “Mori” Hosseini (Board Chair), Thomas G. Kuntz, and Daniel T. O’Keefe.

Others present:

Chris Cowen, Senior Vice President and Chief Financial Officer; Amy Hass, Vice President and General Counsel; Charlie Lane, Senior Vice President and Chief Operating Officer; Colt Little, Senior Counsel and Associate Vice President for Enterprise Projects; Curtis Reynolds, Vice President for Business Affairs; and representatives from Goldman Sachs (Joey Natoli) and Jacobs Engineering (Kevin Fox and Chuson McFadden).

1.0 Call to Order and Welcome

Chair Brandon welcomed everyone in attendance and called the meeting to order at 10:00 a.m.

2.0 Roll Call

Chair Brandon conducted a roll call of all members present and Board Chair Hosseini had the rest of those present introduce themselves.

3.0 Discussion Items

The discussion item at this meeting was the university’s Public private partnership for a new thermal generation plant and associated energy infrastructure. The purpose of the discussion was to provide the subcommittee with a review of progress of the significant work-to-date which had been continuing with respect to the project for a number of years, and to provide an update since the prior meeting. Senior Vice President and Chief Financial Officer, Chris Cowen asked Colt Little, Senior Counsel and Associate Vice President for Enterprise Projects to provide a brief summary of the background and scope of the project. AVP Little provided the information requested and answered technical questions along with the representatives from Jacobs Engineering. There also was a discussion about the procurement process, which includes compliance with Board of Governors policies, and also several discussions and updates with the Board of Governors and Division of Bond Finance. Additionally, there was discussion of the ongoing regular discussions of the working group related to the release of the second phase of

the Intent to Negotiate. There was a discussion at this point around whether the naming of the project, Central Energy Plant, was actually reflective of the scope of this project, which is technically a project to bring chilled water and heat to campus, rather than an entire energy plant for electricity generation. The subcommittee determined that input from communications and marketing professionals would be beneficial on the front end of the project so as to communicate clearly to the UF community and surrounding community about the scope and related matters. Cowen and Hass agreed to follow up with identifying and selecting a firm.

SVP Cowen next turned the group's attention to recent communication that he had received from Duke Energy and there was a discussion among the group, with significant input from Curtis Reynolds, Vice President for Business Affairs and Charlie Lane, Senior Vice President and Chief Operating Officer, who detailed the condition of the plant, the history with Duke Energy, and their recent conversations with Duke. Kevin Fox confirmed that the proposal from Duke would not meet the overall objectives of the University. It was noted that Duke had provided a proposal to the University for this project during the first phase of the ITN, but did not discuss any options related to the existing plant at that time, and their team was not selected for further negotiation.

SVP Cowen discussed the significant efforts related to sustainability efforts related to the project, including an emphasis on the future flexibility of the plant to respond to the evolving energy market. He presented materials from KPMG, the University's sustainability consultant for the project (which is attached as an exhibit).

Finally, there was a discussion about process and next steps, including the process required of the selection committee, the engagement and review by the technical review committee, a joint finance and facilities committee meeting, to be held at 1:00 pm on December 5, 2022, and ultimately the Board of Trustees in December and Board of Governors actions anticipated in January,.

4.0 New Business

There was no new business to come before the subcommittee.

5.0 Adjourn

There being no further discussion, the meeting was adjourned at 1:00 p.m.