

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FACILITIES COMMITTEE
UNIVERSITY OF FLORIDA
GAINESVILLE, FLORIDA
August 31, 2017

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and its Committees are accessible at <http://www.flbog.edu/>.*

Governor H. Wayne Huizenga, Jr., Chair, convened the meeting of the Board of Governors Facilities Committee meeting at 8:36 a.m., August 31, 2017. The following members were present: Fernando Valverde, Dick Beard, Darlene Jordan, Sydney Kitson, Alan Levine, Wendy Link, Edward Morton and Gary Tyson. Other members present included: Patricia Frost, Tom Kuntz, Ned Lautenbach, Kishane Patel, Pam Stewart, and Norman Tripp.

1. Call to Order

Chair Huizenga called the meeting to order.

2. Minutes of Committee Meetings: Governor Huizenga

Governor Jordan moved that the Committee approve the minutes of the Facilities Committee meeting held June 22, 2017 at University of South Florida. Governor Valverde seconded the motion and it passed unanimously.

3. UWF Educational Plant Survey

Chair Huizenga called on Mr. Chris Kinsley, Assistant Vice Chancellor for Finance and Facilities, to discuss the UWF Educational Plant Survey. Mr. Kinsley noted that this survey was the final survey for 2016-2017. The Assistant Vice Chancellor noted that since the DCP Model was introduced the surveys have been more robust and focused. The goal is still to continue to refine the model as time progresses.

He noted two UWF impacts: (i) the need for space has not materially changed since 2012 (need for 800,000 NSF) and (ii) there are 7 facilities demolition recommendations. As a result, the Board was informed that subsequent request for new facilities for UWF are imminent and would be replacement facilities.

Mr. Kinsley opened the floor for questions, there being none, Chair Huizenga called for a motion to approve the University of West Florida Educational Plant Survey.

Governor Kitson moved to approve, Governor Jordan seconded and the motion passed with approval by all members.

4. 2017 Capital Improvement Trust Fund Projects

Chair Huizenga informed the Board that the 2017 General Appropriations Act included funding of \$45M for projects to be funded from the Capital Improvement Fee Trust Fund, with proviso language that requires the Board to approve final project selections. He went on to note that these projects are student driven funded from the capital improvement fee collected from students.

Mr. Kinsley added that these projects have been selected by the Universities and are in alignment with previous presentations.

Governor Kuntz asked if any projects were new to the Board. Mr. Kinsley affirmed that all of the selected 2017-18 CITF projects have been previously disclosed to the Board and are mostly previously funded continuation projects.

Governor Levine made a motion to approve the 2017 Capital Improvement Trust Fund Projects, Governor Valverde seconded the motion, and the item passed unanimously.

Governor Huizenga then indicated that he was making a change to the order of the agenda items, and that Item 6, the UCF Refinancing, and Item 7, the 2018-19 LBR would be taken up first, since they were action items, and that Item 5, the FIU P3 would be the final item since it was discussion only.

5. UCF Finance Corporation - Refinance Outstanding Capital Improvement Revenue Bonds, Series 2007

Chair Huizenga asked Mr. Kinsley to discuss the refinancing of the Burnett Biomedical Sciences Building. Mr. Kinsley explained that this was a request to refinance bonds issued in 2007. This building supports the research efforts of the College of Medicine, located at the Lake Nona campus. The revenue stream continues to be a solid performer and is a great asset to the University. Mr. Kinsley went on to note that UCF has and will continue to pledge its indirect cost overhead, which is a gross revenue pledge. Unfortunately, rates have plummeted since 2007 and there were some regulatory changes which made the letter of credit instrument less attractive to financial institutions. Currently, the University's annual debt service payment has increased by approximately \$700,000.

After further discussion, including an appearance by Mr. Ben Watkins, Division of Bond Finance [DBF], Chair Huizenga asked if there was a motion.

Governor Levine made a motion to adopt a resolution approving the issuance of debt by the University of Central Florida Finance Corporation on behalf of the University of Central Florida to refinance the outstanding Capital Improvement Revenue Bonds, Series 2007 subject to UCF submitting the final transaction to the Board Office and DBF for review. Governor Levine seconded the motion, and the motion passed unanimously.

6. 2018-2019 Fixed Capital Outlay Legislative Budget Request

Governor Levine made a motion to approve the 2018-2019 Fixed Capital Outlay Legislative Budget Request, Governor Morton seconded the motion, and the motion passed unanimously.

7. FIU P3 Hotel Discussion

Florida International University (FIU) is working on a potential Public-Private Partnership for the construction, operation and maintenance of 150 bed hotel and conference center to be built and operated by the private vendor. The proposed project would also include an alumni center on the land which will be operated by FIU. FIU's Senior Vice President for Finance and Administration, Ken Jessell, presented the Board with details of the proposed transaction, and answered Board member questions regarding the project. The board requested additional information which will be provided at a future meeting.

8. Other Items

Mr. Kinsley went on to mention that CAFA attended a presentation from Sightlines that speaks to the maintenance needs across the system. Mr. Kinsley anticipates that the Board will benefit from a similar presentation later in the year.

Mr. Kinsley also noted the developments regarding PO&M funding during this legislative cycle. Over the past two years this request was not funded. The Assistant Vice Chancellor went on to mention the implications that this may have on the System and cautioned University Presidents to be poised and prepared for this uncertainty.

9. Concluding Remarks and Adjournment

There being no further business, Chair Huizenga adjourned the meeting at 9:36 a.m., August 31, 2017.

Chris Kinsley, Assistant Vice Chancellor
Facilities

H. Wayne Huizenga, Jr., Chair