

MINUTES  
STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
FACILITIES COMMITTEE  
UNIVERSITY OF CENTRAL FLORIDA  
NOVEMBER 9, 2023

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and its committees are accessible at <https://www.flbog.edu/>.*

1. Call to Order and Opening Remarks

Chairman Lydecker convened the meeting at 9:05 a.m.(ET) on November 9, 2023, with the following members present: Edward Haddock, Ken Jones, Brian Lamb, Craig Mateer, Amanda Phalin, and Eric Silagy. A quorum was established.

2. Minutes of Committee Meeting

Chairman Lydecker asked for a motion to approve the minutes of the Facilities Committee meeting held virtually on September 20, 2023. Governor Jones moved to approve, Governor Silagy seconded the motion, and the motion carried.

3. FY23-24 University Fixed Capital Outlay Budgets

Chairman Lydecker presented the third item on the agenda, the 2023-2024 University Fixed Capital Outlay Budgets. The Fixed Capital Outlay (FCO) Budgets are submitted to the Board as part of an annual process governed by Florida Statutes and Board Regulations. Each university must adopt an annual budget reflecting the institutional capital outlay needs and project-specific funding sources.

Chairman Lydecker recognized the Board of Governors Director of Finance and Facilities, Mr. Kevin Pichard, to provide an overview of the process.

Mr. Pichard provided the committee with a high-level overview of the statutorily required process per section 1013.61, Florida Statutes, which requires each university board of trustees to adopt a Fixed Capital Outlay Budget for the ensuing year.

Board staff have developed standardized formats and guidelines within the statutory parameters to provide an overview of each university's anticipated FCO projects and related funding sources, including previously approved projects that still need to be completed. Each university FCO Budget has been reviewed and approved by its respective board of trustees, and each has been subsequently reviewed by Board staff for compliance.

Chairman Lydecker opened the floor to questions or comments from the committee, hearing none, requested a motion to approve the 2023-2024 University Fixed Capital

Outlay Budgets, not including the use of Higher Education Emergency Relief Fund (HEERF) resources as a funding source. Governor Haddock moved to approve, Governor Lamb seconded, and the motion passed unanimously.

4. Authorization to Issue Debt by the Florida State University Athletic Association, Inc. for Football Stadium Improvements

Chairman Lydecker introduced the next item on the agenda, the adoption of a resolution authorizing the issuance of bonds in an amount not to exceed \$265M by the Division of Bond Finance on behalf of Florida State University Athletic Association, Inc. (FSUAA) to finance renovations to the football stadium on the main campus of Florida State University. Chairman Lydecker recognized Mr. Pichard to provide the committee with the project's financing details.

Mr. Pichard stated that the project would be financed primarily with bond proceeds, the remaining balance funded by donations and investment earnings. The bonds will be tax-exempt, fixed rate, anticipated to have 20-year maturity, and will be issued by the Division of Bond Finance.

Gross revenue streams will secure the bonds contractually pledged to FSUAA, including athletic conference distribution revenue, annual Seminole Booster membership fees, project-specific donations received within five years of issuance, sponsorship, advertising money, ticket sales, and game guarantees.

The proposed financing complies with Florida Statutes governing university debt issuance and the SUS Debt Management Guidelines. The FSUAA Board of Directors and the FSU Board of Trustees approved the project on June 5, 2023, and June 15, 2023, and it is included in FSU's Campus Master Plan.

Chairman Lydecker opened the floor to questions; hearing none asked for a motion to adopt a resolution authorizing the issuance of bonds in an amount not to exceed \$265M by the Division of Bond Finance on behalf of Florida State University Athletic Association, Inc. to finance renovations to the football stadium on the main campus of Florida State University. Governor Silagy moved to approve, and Governor Mateer seconded the motion, and the motion passed unanimously.

5. Authorization to Issue Debt by Florida Agricultural and Mechanical University for Student Housing

Chairman Lydecker presented the fifth item on the agenda, a request for Authorization to issue Debt by Florida Agricultural and Mechanical University for Student Housing.

Chairman Lydecker again recognized Mr. Pichard to provide the committee with the project financing details.

Mr. Pichard stated that the project is expected to be funded entirely with bond proceeds, with no cash contribution from the university. Financing will be provided through the US Department of Education, Historically Black Colleges, and Universities (HBCU) Program with a 30-year fixed interest rate of 5.25% and level debt service. The annual debt service is estimated at \$6.9M, secured by and payable from a first lien pledge on net revenues of the University's housing system.

The project is included in the university's Campus Master Plan and was approved by the university's board of trustees on September 13, 2023. The Board staff and Division of Bond Finance have reviewed the supporting documentation provided by the University. Based upon this review, the proposed financing appears to comply with Florida Statutes and the SUS Debt Management Guidelines governing the issuance of university debt.

Chairman Lydecker opened the floor to comments; hearing none, asked for a motion to adopt a resolution authorizing the issuance of taxable debt in an amount not to exceed \$102.9M by the Division of Bond Finance on behalf of Florida Agricultural and Mechanical University and further authorizing the university's board of trustees to participate in the US Department of Education's Historically Black Colleges and Universities Capital Financing Program to finance the construction of a new student housing facility on the university's main campus. Governor Mateer moved to approve, Governor Jones seconded, and the motion passed unanimously.

6. Public Notice of Intent to Adopt Board of Governors Regulation 14.011, Emergency Opioid Antagonists in University Housing

Chairman Lydecker moved to the next item on the agenda, Public Notice of Intent to Adopt Board of Governors Regulation 14.011, Emergency Opioid Antagonists in University Housing. The new regulation is being developed in connection with House Bill 783, which established the Statewide Council on Opioid Abatement as an advisory council within the Florida Department of Children and Families to enhance state efforts to abate the opioid epidemic. As an ancillary component of the bill, it also created section 1004.0971, Florida Statutes, requiring injectable opioid antagonists to be in all student residence halls and dormitories owned or operated by universities and for the Board of Governors to adopt regulations administering the statutory requirement. The draft regulation is a mirror of statutory language.

Chairman Lydecker recognized Mr. Pichard to answer any questions from the committee; hearing none asked for a motion to approve the Public Notice of Intent to Adopt Board of Governors Regulation 14.011, Emergency Opioid Antagonists in University Housing. Governor Phalin moved to approve, Governor Silagy seconded, and the motion passed unanimously.

7. Resolution Regarding Reimbursement of Expenditures for Florida State University Capital Projects

Chairman Lydecker introduced the next agenda item, a Resolution regarding the Reimbursement of Expenditures for Florida State Universities Capital Projects.

Attorneys for Florida State University have determined that the FSU's football stadium improvement project can be combined with the previously approved Football Operations Facility, authorized on June 22, 2023, for tax purposes to provide greater latitude in issuing bonds, namely the proportion of taxable versus tax-exempt debt, with a goal of increased savings on borrowing costs associated with lower tax-exempt interest rates.

Chairman Lydecker recognized Mr. Pichard to address any questions from the committee. Hearing none, Chairman Lydecker requested a motion to approve the resolution regarding the Reimbursement of Expenditures for FSU Capital Projects, as presented. Governor Jones moved to approve, Governor Silagy seconded, and the motion passed unanimously.

8. Concluding Remarks and Adjournment

With no further business, Chairman Lydecker adjourned the meeting at 9:28 a.m. (ET) on November 9, 2023.

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Kevin Pichard, Director of Finance, and  
Facilities

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Charles Lydecker, Chairman