



Business Affairs Committee
September 24, 2019

MINUTES

MEMBERS PRESENT: David Sprinkle, Chair; Mae Douglas, Betsy Oakley, Brad Hayes (via teleconference) and Ward Russell (via teleconference)

MEMBER ABSENT WITH NOTICE: Vanessa Carroll, Elizabeth Phillips, Linda Sloan

OTHERS PRESENT: Chancellor Frank Gilliam; Provost Dana Dunn; Waiyi Tse, Chief of Staff; Greg Hodges, Committee Liaison & Associate Vice Chancellor – Planning, Performance and Emerging Technology; Scott Milman, Assistant Vice Chancellor for Campus Enterprises and Real Estate; Sameer Kapileshwari, Associate Vice Chancellor – Facilities; Lauren Cox, Assistant Vice Chancellor for Foundation Finance; Steve Honeycutt, Director of Financial Planning & Budgets,; John Newsome, Reporter. Guests: Ken Pearce – Director for Facilities Design and Construction. Alex Ashton – Director for Real Estate. Karen McCormick, Executive Assistant to the Vice Chancellor of Business Affairs; Kelly Harris, Assistant Secretary to the Board of Trustees.

PROCEEDINGS:

Chair David Sprinkle called the meeting to order at 8:05 a.m. Sprinkle read the Conflict of Interest Statement from the State Government Ethics Act. No conflicts were identified.

Roll call was read and a quorum was confirmed.

Chair Sprinkle announced that Charlie Leffler will serve as Interim Vice Chancellor for Business Affairs as of October 1. Leffler served for more than 30 years at NC State (11 of those years as Vice Chancellor for Finance and Administration) before retiring in 2015. While there, he was responsible for an extensive portfolio of financial and operational functions and was also instrumental in leading the development of State's Centennial Campus, which of course will be invaluable experience as we continue to develop the UNCG Millennial Campus. Most recently, he served as Interim Vice Chancellor for Finance and Administration for the University of North Carolina School of the Arts and served on UNC Interim President Bill Roper's transition team.

Sprinkle then welcomed Sameer Kapileshwari, Associate Vice Chancellor for Facilities. Sameer joined UNCG in July, having previously been at Florida Agricultural & Mechanical University where he led the Facilities Planning & Construction and Safety Division. Sprinkle also welcomed Greg Hodges, Associate Vice Chancellor for Planning, Performance and Emerging Technologies. Greg will be assisting as Committee Liaison until a new Vice Chancellor for Business Affairs is hired.

Approval of Minutes: Minutes from the September 24, 2019 meeting were approved without additions or corrections.

Action Items

BAC-1 Campus Master Plan Update and Space Assessment

Kapileshwari presented action item BAC-1, approval of the design firm to conduct the campus master plan update and space assessment project. The 2019 Master Plan Update will consist of an assessment of the campus master plan spaces and provide an intensive study for future campus development, both on campus and as part of our Millennial Campus initiative in support of the strategic vision of UNC Greensboro. This update will include academic and research initiatives, strategic partnerships, campus life and planning, landscape preservation and enhancement, approaches to sustainability, utilities and infrastructure, transportation planning, and campus expansion. The update will be guided by a space inventory analysis and stakeholder interviews. This Space Assessment will study existing space data, scheduling information, space and technological limitations in order to provide recommendations for improved space utilization over time.

The project was advertised on the North Carolina General Administration website, and four (4) firms submitted letters of interest. The pre-selection committee reviewed the letters of interest and invited three (3) firms to an interview to present their qualifications. The pre-selection committee recommended the following list of firms in ranking order:

1. Sasaki – Watertown, MA
2. Hanbury – Raleigh, NC
3. Smithgroup / LS3P – Ann Arbor, MI / Raleigh, NC

The firm of Sasaki – Watertown, MA was recommended as the Designer for the following reasons:

1. They were the only firm to thoroughly address all selection criteria elements described in the advertisement and interviews.
2. Sasaki has a long-proven track-record and extensive expertise in both master planning and space assessment, which is supported by an inclusive, expansive, and well-rounded multidisciplinary team.
3. The firm presented the most impressive tools at their disposal for data gathering, analysis, and presentation. Although this was not a criterion it was worth noting that they are also intimately familiar with the campus and was the firm that completed our last master plan in 2014.

A final version of the master planning report is expected to be available by early fall 2020. If agreeable terms cannot be met with the recommended firm, the Board could authorize the administration to negotiate terms with the other firms in ranking order.

In response to questions, Kapileshwari confirmed that Sasaki conducted UNCG's last master plan in 2014. The current space assessment to be performed will include a comprehensive look at our existing space inventory to ensure that we are using the space effectively and efficiently. Recommendations will also be made on how the space utilization and efficiencies can be improved. One new element in the master planning will also include the Millennial Campus.

Chair Sprinkle requested an example of what master planning would look like other than Millennial Campus.

Kapileshwari shared that they would look at our existing capital improvement projects and other planned initiatives. All renovation and repair projects will be reviewed, including the Jackson Library project, as will transportation opportunities for connecting the campus from west to east. The design firm will work with multiple stakeholder groups, students, faculty, staff, student affairs, and athletics to incorporate their suggestions for the campus of tomorrow in support of the Chancellor's vision.

Trustee Oakley asked when completion of the master planning was anticipated. Kapileshwari shared that following Board approval, a kickoff meeting with the chosen firm will take place and a proposal for their scope of work will be negotiated and finalized. The schedule tentatively calls for using fall and spring semesters for interviews and data gathering with anticipated wrap up generation of report by late summer or early fall 2020. The Board can expect an update report when the Board meets in the fall of 2020.

It was noted that Sasaki is not only nationally considered the gold standard when it comes to master planning.

In response to a question from Trustee Ward Russell, Kapileshwari confirmed that enrollment projections would be considered during the master planning process.

When discussion concluded, Chair Sprinkle requested a motion to approve item BAC-1. Trustee Oakley made the motion, which was seconded by Trustee Russell. The action item was approved unanimously.

BAC-2 Sullivan Teaching Greenhouse Renovation

This capital project seeks to renovate the Sullivan Science Teaching Greenhouse. The greenhouse has not been performing up to standards for many years and no longer maintains temperature and humidity parameters for effective teaching use. A study was recently performed by an engineering firm to identify basic problems and provide an estimate and recommendations for renovation. The renovations would include a complete replacement of the HVAC system consisting of dual air handlers, radiators, humidity irrigation systems, the control system, and the motorized systems. The tentative timeline for the project would include the design work to start immediately following Board approval and construction would commence in summer 2020 with the goal of completing it by end of calendar year 2020. He also added that in light of the recent threshold increase, this project will not have to be approved by the Board of Governors. Although projected cost data is included in the meeting materials, the request for Committee approval at this phase is limited to approval of the project itself. Based on the current timeline, this project is tentatively scheduled to be completed by December 2020.

Provost Dunn commented that this is a very high priority project for academic affairs. Biology is our largest department on campus, and this is a teaching laboratory that serves undergraduate through graduate coursework. She added that this is also highly synergistic with the newly opened Plant and Pollinator Center. Academic Affairs is quite eager to get this work done and maintain momentum established in this area with faculty hires.

Chair Sprinkle then entertained the motion for approval of agenda item BAC-2. Trustee Brad Hayes made the motion; Trustee Mae Douglas seconded. The item was approved unanimously.

BAC-3 Coleman Athletics – Men's Basketball Team Lounge

This project creates much needed additional square footage by combining Coleman Room 139 & Coleman Room 141A to create a new Men's Basketball Team Lounge. It will also address excessive warmth in the existing lounge by adding supplemental cooling, upgrade infrastructure to allow for new LED lighting, and provide new A/V equipment as well as new furniture and millwork. The project will increase natural light by adding storefront between the existing Practice Court (Room 141) and the Basketball Team Lounge (Room 141A). The tentative timeline for this project will include the planning and design stage to start in mid-October. Construction is slated to start in April 2020, with the tentative goal of completing the work by August 2020 in time for the fall semester.

Chair Sprinkle noted that this particular item is funded all by donations (general funds). A motion to approve was requested. Trustee Douglas made the motion; Trustee Oakley seconded. The motion carried unanimously.

BAC-4 Changes to Delegated Authority with Real Estate

BAC-4 is a request to authorize the university to pursue required approvals for additional delegated authority for acquisitions and dispositions of real property by lease and by transactions other than lease, and to delegate to the Chancellor authority to authorize certain real property-related transactions.

AVC Milman reviewed previous actions and developments associated with the request:

- December 7, 2017 the Board approved an action item authorizing the University to pursue required approvals for the delegation of leasing authority consistent with Section 600.1.3[R] of the UNC Policy Manual, as amended on January 7, 2014.
- Due to staff changes at The System Office, there was a pause in the process, after which the Board of Governors (BOG) took up the matter of delegated authority again for the purpose of streamlining the time it was taking institutions to go through the prescribed leasing authority process, which was often more than one year.
- December 2018 the BOG Committee on Budget & Finance gave preliminary approval for changes to delegated powers to the Board of Trustees for acquisition and disposition of real property.
- March 2019 the BOG Budget & Finance Committee approved the proposed revisions to the UNC System Code.
- A presentation regarding the proposed revisions was made to the Committee in April 2019.
- In May 2019 the BOG approved the amendments and revisions to the University Code regarding acquisition and disposition of real property.

N.C. Gen. Stat. 116-31.12 delegates to the Board of Governors the authority to authorize the constituent institutions and The University of North Carolina to acquire and dispose of real property by lease if the lease is for a term of not more than ten (10) years.

N.C. Gen. Stat. 116-11.13 gives the Board of Governors the ability to delegate any part of its authority to the Board of Trustees of the constituent institutions, or to the President of the University of North Carolina, in any case where such delegation appears necessary or prudent to enable the institution to function in a proper and expeditious manner.

The following sections of The Code of the University of North Carolina and the UNC Policy Manual are those that have been added or amended:

- Appendix 1 of The Code, “Delegations of Duty and Authority to Boards of Trustees” (amendment)
- Section 200.6, UNC Policy Manual, “Policy on Delegation of Authority to the President” (amendment)
- Section 600.1.3, UNC Policy Manual, “Policy on Authority for Real Property Transactions” (new)
- Section 600.1.3[R], UNC Policy Manual, “Regulations on Acquisition and Disposition of Real Property Authority” (prior Sections 600.1.3, 600.1.3[R] and 600.1.4[R] were repealed)

Pursuant to these amendments, the Committee is requested to:

- Authorize the university to pursue required approvals for additional delegated authority for acquisitions and dispositions of property by lease and by transactions other than lease, as prescribed by and consistent with the value thresholds and authority allowable under Sections 600.1.3 and 600.1.3[R] of the UNC Policy Manual effective as of July 1, 2019.
- Delegate authority to the Chancellor to authorize acquisitions and dispositions of an interest in real property other than a lease and with the value of less than \$50,000.
- Delegated authority to the Chancellor to authorize and execute instruments granting revocable, non-transferrable, time-limited licenses to use real property for specific purposes and to establish a University policy to that effect.
- Delegate authority to the Chancellor to authorize acquisitions and dispositions of real property by lease with an annual value less than or equal to \$150,000 and a term of not more than 10 years.

Following discussion, Chair Sprinkle invited a motion to approve the requests presented in agenda item BAC-4. Trustee Douglas made the motion; Trustee Oakley seconded, and the item was approved unanimously.

Information Items

BAC-5	Bond Refunding
BAC-6	Quarterly Enrollment and Tuition Dashboard as of August 14, 2019
BAC-7	State Budget Update
	BAC-7.1 2019-21 Side-by-Side Budget Comparison
BAC-8	University Investment Fund (UIF) Board Update
BAC-9	UNCG Facilities Design and Construction Update
BAC-10	Annual Report on Property Purchased and/or Leased July 1, 2018 through June 30, 2019

Agenda items BAC-5 through 10 were included as information items in the Committee's pre-meeting materials. There were no questions about these items.

Trustee Oakley asked about the timeline for the Jackson Library project if the state budget providing \$84 million in funding for the project is approved. Kapileshwari and Pearce indicated that following approval, funds would likely not be released until July 2021, at which time we will be able to advertise for designers, select a designer, request and receive Board approval, and then move forward with design.

There being no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kelly Harris".

Kelly Harris
Assistant Secretary to the Board