

DRAFT
Business Affairs Committee
UNCW Board of Trustees
Azalea Coast Room – Fisher University Union
Thursday, April 25, 2019 at 1:00 p.m.

MINUTES

The Business Affairs Committee of the UNCW Board of Trustees met on Thursday, April 25, 2019 at 1:00 p.m. in the Azalea Coast Room, Fisher University Union. Members present: Mr. Michael Drummond, Mr. Hal Kitchin, Ms. Gidget Kidd, Mr. Bob Rippy, Mr. Nick Pianovich, and Mr. Hank Miller. Mr. Michael Drummond called the meeting to order and read the required ethics statement from the State Government Ethics Act. No conflicts were identified.

Mr. Drummond asked if there were any corrections to the minutes of the February 7, 2019 meeting. Mr. Rippy made a motion to “**approve the minutes of the February 7, 2019 meeting as presented.**” Mr. Miller seconded the motion and the motion carried.

Ms. Roberta LaSure, Director of Endowment Foundation and Investments, provided an overview of UNCW’s Endowment and how it compared to other institutional endowments, per the 2018 NACUBO-TIAA Endowment Study. She reported that we closed fiscal year 2018 with an endowment value of approximately \$102 million. Fiscal year 2018 was a good year for investment market performance, and our endowment returned 11.2%. The Fund’s one, three, and five year average annual returns of 11.2%, 7.5%, and 8.9% place it in the top quartile relative to other university endowments. Our ten year average annual return of 6.3% missed the top quartile ranking by a tenth of a percent. We have outsourced the investment management of our endowment to the UNC Investment Fund, a \$6.2 billion centrally managed pooled investment fund for UNC institutions and their foundations.

Mr. Mark Morgan, Associate Vice Chancellor for Facilities, presented the following action items:

ACTION ITEM:

Randall Library Renovation and Expansion – Commissioning Agent (CxA)

Specifically, the University is requesting Board of Trustee approval of the prioritized order of Commissioning Agent engineering firms listed below for the Randall Library Renovation and Expansion project. The firms were identified through a competitive review process and evaluated on a variety of factors relevant to the project. Subsequent to approval, the University will begin fee negotiations with the chosen firm(s) in rank order until acceptable contract terms are reached. The firms, in priority order, are:

- 1. System WorCx, PLLC**
- 2. RMF Engineering, Inc.**
- 3. Facility Dynamics Engineering**

Mr. Miller made a motion to approve the above action item. Mr. Kitchin seconded the motion and the motion carried.

ACTION ITEM:

Film Studies – Aesthetics

The University is seeking Board of Trustee approval for the general aesthetic of the Film Studies facility. The approved site is located on the northwest corner of Plyler Drive and Riegel Road. There is a need to house the new Film Studies spaces, which include production and sound spaces. Specifically, the University provided two different design styles for consideration:

- the first (the university's preferred option) is based upon the original metal design; this option is considered to be more consistent with industry standards and is also preferred by program faculty.
- the second option adopts more of a modified Georgian design and is therefore more consistent with the central campus architecture.

The committee had a spirited discussion and also heard from the Film Studies Chair, Dr. Mariana Johnson. Dr. Johnson expressed her support for the first option, given that it is more consistent with industry standards and captured the look and feel that our graduates will encounter as they begin their careers. Option #1 also would cost approximately \$300k less than Option #2 (allowing more resources to be applied to programmatic needs to improve the student experience).

After discussion, Mr. Miller made a motion to approve the above action item (aesthetic Option #1). Mr. Pianovich seconded the motion and the motion carried.

Following the action item, Mr. Morgan provided a Dobo Hall Recovery update, including a summary of damages and the work phasing identified to provide interim educational and research spaces while remediation work for Dobo Hall can be designed and constructed. Mr. Morgan then outlined one action item needed for the University to proceed with the Dobo Recovery Effort.

ACTION ITEM:

Dobo Hall Phase II – Applied Learning Research Facility – General Aesthetics

Specifically, the University is seeking Board of Trustee aesthetic approval for the Applied Learning Research Facility on Randall Drive adjacent to the Burevitch Facility and Friday Annex. A facility to allow student and faculty research to be reestablished on main campus is necessary while Dobo is being restored. This facility requires more substantial infrastructure than can be accomplished through the use of modular facilities.

Mr. Miller made a motion to approve the above action item. Ms. Kidd seconded the motion and the motion carried.

Following the action item, Mr. Morgan provided a capital projects update on the following:

- Parking Deck 2 Aesthetic update
- Veterans Hall Facility
- Housing Village (including Buildings 3 & 4)
- Administrative Annex (MacMillan Avenue)
- Hurst Drive Parking Lots 2A & 2B
- Track and Field Improvements – Resurfacing
- Outdoor Fields Enhancement – Phase II
- Bathroom / Field Support Facilities – Building 7D
- Campus Development Impact Map

Following the capital projects update, Mr. Lackey provided an insurance update pursuant to the Hurricane Recovery. He also provided an update on the After Action Review that is being conducted by the Hagerty Consulting Firm. The intent of this review is to inform updates to the University's emergency operations plans and therefore improve UNCW's response to future weather emergencies. In addition, Mr. Lackey provided an operating Budget Update, including an overview of the BOG Operating appropriations Request. Finally, Mr. Lackey provided a financial summary of the bonds that were recently issued to support the construction of the new parking deck. Specifically, the timing of the issuance was favorable and resulted in the University receiving an all-in true interest rate of 3.22% for the bonds - which is considerably better than the rates that were anticipated earlier in the year.

Mr. Miller made a motion to go into Closed Session and the motion carried.

On motion duly made and carried, the committee reconvened in open session.

There being no further business, the meeting was adjourned.