

BUSINESS AFFAIRS COMMITTEE

Thursday, January 14, 2016

Fisher Student Center

Masonboro Island Room 2011

1:00 p.m.

MINUTES

Members present: Ms. Wilma Daniels, Chair
Mr. Michael Drummond
Ms. Gidget Kidd
Mr. Christopher Leonard

Chairman of the BOT: Mr. Michael Shivar

Representing the University: Dr. Rick Whitfield, Vice Chancellor for Business Affairs

Guests: Dr. Zito Sartarelli, Mr. David Donaldson, Mr. Mark Morgan, Ms. Sharon Boyd, Dr. Rosalynn Martin, Ms. Sharyne Miller, Ms. Sara Thorndike, Ms. Roberta LaSure, Ms. Nancy Spirakis, Ms. Cindy Hucks, Ms. Pat Leonard, Mr. John Scherer, Mr. Steve Miller, Ms. Stefanie Powell, Ms. Heather Iannucci, Ms. Leslie Hudson, Ms. Joanne Ferguson, Mr. Stan Harts, Ms. Lisa Seifert, Ms. Ann Glossl, Dr. Mike Walker, Dr. Brian Victor, Mr. Peter Groenendyk, Ms. Jennie McNeilly, Mr. Tim McNeilly, Coach Mark Scalf, Ms. Dana Harris, Dr. Terry Curran, Mr. Dave Ulaszek, Mr. Zach Mitcham, Ms. Ann Freeman, Ms. Janet Alexander and Ms. Betty Sue Smith

The Business Affairs Committee of the UNCW Board of Trustees met on Thursday, January 14, 2016 at 1:00 p.m. in the Fisher Student Center – Masonboro Island Room 2011. Ms. Wilma Daniels, Chair, called the meeting to order and read the required ethics statement from the State Ethics Act. No conflicts were identified.

Chair Daniels asked the committee members to take a few moments to review the minutes of the October 15, 2015 meeting. Ms. Daniels asked if there were any corrections to the minutes. Mr. Leonard stated there were two corrections to the October 15, 2015 minutes. The first correction on page 2, paragraph 5, in the motion Mr. Leonard made should read “for university management to provide “Board of Trustees” members... (insert “Board of Trustees” and remove “of the committee”). The second correction on page 2, paragraph 6, first sentence, should read “Chief Donaldson noted ... (replace “he” with “Chief Donaldson”). Ms. Kidd made a motion **“to approve the minutes of October 15, 2015 as corrected,”** Mr. Drummond seconded the motion and the motion carried.

Vice Chancellor Whitfield was called on to introduce Ms. Sharyne Miller, UNCW’s new Chief Information Officer. Ms. Miller started with the university on January 4, 2016.

Mr. Mark Morgan, Interim Associate Vice Chancellor – Facilities, provided an update on construction projects:

HUB Dining Facility:

This design of the HUB dining facility is progressing well and preliminary site development has begun. The building will include multiple dining choices and many modern conveniences to serve the students. Building construction is anticipated to begin in March with an estimated completion during the later portion of the Fall 2016 semester.

Athletic and Recreational Master Plan Update:

The Outdoor Fields and Facilities Enhancement Plan continues to move forward.

Outdoor Fields Enhancement:

Phase IA, Lighting Improvements

Construction on the new LED site lighting began in November 2015 and will be complete in late January 2016. The start date for Field Improvements, Phase IB, is being negotiated and is expected to award in February 2016.

Phase II, Bathroom and Field Support Facilities: Building 4D

Construction of Building 4D is nearing completion and occupancy is expected by the end of January.

Phase II Bathroom and Field Support Facilities – Building 7C

Preliminary site work is complete (water, sewer, etc.) Construction of the building will begin in late January 2016 with an estimated completion date of May 2016.

Performance Contract II:

The scope of Performance Contract II consists of Guaranteed Energy Savings Measures affecting 20 academic buildings at a cost of \$6.8M. COS (Council of State) approved the debt service in December 2015 and the contracts were executed subsequently in December as well. The construction phase will begin February 2016 and end August 2017; the savings guarantee ends February, 2034.

Men's Basketball Locker Room Renovation:

The philanthropically funded renovation began in November 2015 and is scheduled to be complete in February 2016.

Baseball Bleachers Renovations:

Renovations to the wooden clad bleachers at Brooks Field began in late December 2015 and are scheduled for completion in February 2016. (Note - the soccer stadium will undergo similar renovations during summer 2016.)

Mr. Morgan presented four Action Items for the committee's consideration and approval.

ACTION ITEM #1: Softball / Baseball Indoor Practice & Batting Facility – Aesthetic and Siting

- **Recommended Action Item:** The University is requesting Board of Trustee approval for the Siting and Aesthetics of the Softball/Baseball Indoor Practice & Batting Facility.
- Design for this project is underway. This is a philanthropically funded project; fund raising efforts for the construction phase are in progress.
- We are presenting the proposed location and the exterior renderings of the facility for the Board's approval. The location is just beyond the center field fence of the Brooks Field.

After discussion, Mr. Shivar made a motion **“to approve the Siting and Aesthetics of the Softball/Baseball Indoor Practice and Batting Facility”**. Ms. Kidd seconded the motion and the motion carried.

ACTION ITEM #2: Softball Training Facility – Siting, Aesthetics and Gift Agreement

- **Recommended Action Item:** The University is requesting Board of Trustee approval of the Siting, Aesthetics, and Gift Agreement for the Softball Training Facility.
- The Softball Facility Improvements projects are donor funded. The donor has offered to construct a permanent, 12,000 square-foot, covered structure for the softball training area beyond the left field fence at Boseman Field. This area currently contains batting tunnels, pitching and catching lanes, and equipment storage. With the Board's approval of the siting, aesthetics and the right to enter into a “Gift-In-Place Agreement”, the donor proposes to construct this facility in May/June 2016.

Mr. Leonard made a motion **“to approve the Siting, Aesthetics and Gift Agreement for the Softball Training Facility”**. Ms. Kidd seconded the motion and the motion carried.

ACTION ITEM #3: Baseball Game Day Hitting Facility – Siting and Aesthetics

- **Recommended Action Item:** The University is requesting Board of Trustee approval of the Siting and Aesthetics for the Baseball Game Day Hitting Facility.
- The Baseball Game Day Hitting Facility is a philanthropically funded project. The donors have provided funding to construct a permanent, 5,000 square-foot, covered structure for the baseball pre-game hitting area. This area currently contains batting tunnels. The covered facility will allow the use of pitching equipment and flexible tunnel arrangements. With Board approval, this facility would be constructed in January/February 2016.

Mr. Drummond made a motion “**to approve the Siting and Aesthetics for the Baseball Game Day Hitting Facility**”. Ms. Kidd seconded the motion and the motion carried.

ACTION ITEM #4: Belk, Graham, Hewlett Residence Halls Repair and Renovation Project – Construction Manager at Risk

- **Recommended Action Item:** The University seeks the Board’s approval of the prioritized CMR firms listed below so that fee negotiations may begin in accordance with the requirements of the State.
- In accordance with GS 143-128.1 and the SCO (State Construction Office) and SBC (State Building Commission) guidelines, UNCW solicited for the services of a CMR (Construction Manager at Risk) for the upcoming renovations to Belk, Graham, and Hewlett Residence Halls.
- After advertisement and a mandatory pre-bid conference, the University received five (5) valid proposals. All five (5) firms were selected for on-campus interviews. The University’s interview team consisted of representatives from Facilities, Housing & Residence Life, and the designer, BMH Architects. The committee’s prioritized recommendations are as follows:
 1. **Balfour Beatty Construction, LLC (Raleigh)**
 2. **W.M. Jordan Company, Inc. (Wilmington)**
 3. **Monteith Construction Corp. (Wilmington)**

Mr. Leonard made a motion “**to approve the Construction Manager at Risk firms in the order of prioritization to begin fee negotiations in accordance with the requirements of the State**”. Mr. Drummond seconded the motion and the motion carried.

Chair Daniels called on Sara Thorndike, Associate Vice Chancellor for Finance and Controller, to present the Fiscal Year 2015 audited financial statements. Ms. Thorndike shared that the university received an unqualified opinion with no management letter comments and experienced a strong year of performance, including an increase in net position of \$19.1 million to \$445.6 million. The university implemented a new required accounting standard related to pensions that resulted in a decrease in unrestricted net position of \$18.7 million to fiscal year 2014. The university's unrestricted net position as of June 30, 2015 was \$89.1 million and increased \$7 million. The university's resource and expense allocations were similar to the previous fiscal year.

Vice Chancellor Rick Whitfield provided an update on the Fiscal Year 2015-16 Projected Tuition Revenues. Based on projections at this point, in the Spring Semester enrollment cycle, the University is projected to exceed its revenue budget. Evaluation of the decline in nonresident student enrollment continues in order to inform future enrollment growth models.

There being no further business, the meeting was adjourned.