MINUTES
The University of North Carolina at Greensboro
Board of Trustees
Business Affairs Committee
December 6, 2007

Attending-Business Affairs: Richard Moore, Randall Kaplan, William Pratt

Board Members and Guests: Kate Barrett, Nelson Bobb, John Bryant, Mike Byers, Lucien Capone, Linda Carlisle, Erlene Hardie Cox, Jean Davis, Carol Disque, Howard Doyle, Betsy Ervin, Carolyn Ferree, Steve Gilliam, Stephen Hassenfelt, Jill Hillyer, Donna Honeycutt, Gary Hubber, Davis Lumpkin, Bruce Michaels, Sharlene O’Neil, Fred Patrick, David Perrin, Jane B. Preyer, Steve Rhew, Yvonne Ross, Don Skeen, Patricia Stewart, Reade Taylor

Richard Moore called the meeting to order at 9:14 a.m. The minutes from September 6, 2007 were approved as submitted.

ACTION ITEMS

Student Fee Recommendations (BAC-1)

Carol Disque provided an overview of the process by which the Student Fee Committee reaches its recommendations that are submitted to the Board of Trustees. She reported that the committee had met three times to discuss fees and a 4th time to discuss pressures that are coming in the future, needs, growth, etc. The makeup of the committee is 16 members, Carol Disque is Chair, Reade Taylor and Deborah Tollefson are standing members; the others serve on revolving terms so that new members are included each year. Of these nine are students; the remaining four are faculty members.

Reade Taylor pointed out that there were several changes from the original recommendations following much discussion. Student Fee committee discussions included the hiring of a new medical professional for the Student Health Center and text messaging abilities through IT. The final recommendations were unanimous and approved by Chancellor Sullivan to be presented to the Board of Trustees.

Randall Kaplan moved that the fees be approved, William Pratt seconded.

Mr. Moore remarked that the committee had done the work as assigned; however, he felt that the committee might not be considering all of the possibilities to increase support for the programs. He expressed concern that the recommendations needed to be put in the context of income from all sources, not just state dollars and tuition and
fees. How can these fees be offset with other income, such as the ability of UC/LS and athletics to fill the seats for their functions and increase community participation?

Dr. Disque reported that we do have expectations of revenue from several of the sources that also have fees assigned and we do track these figures. The expectation is a 2% increase annually. Some examples are $900,000 in revenue from Gove Health Center for tests, X-rays, etc.; $200,000 in campus recreation fees from faculty and staff using the facilities; ad revenue from the Carolinian that is used to publish the student paper as well as athletics and UC/LS already mentioned.

Mr. Moore suggested that a better approach might be to budget against an assessment of potential rather than the 2% increase. He also mentioned that such information has been requested previously, particularly for Athletics.

Mr. Taylor offered copies of the data on income from the various areas for the past five years. Mr. Moore asked that this be available in the future. Steve Hassenfelt remarked that more information would not necessarily be helpful to him. What he would like to see is that we are doing the best job that can be done across the board, and compared to other campuses, for giving the students what they want so that this campus would be their 1st or 2nd choice in the system, by making it attractive for them.

Dr. Disque advised that this information would be forthcoming next year and added that we already benchmark these areas as well as funds available to various areas to make them the most ‘attractive’ to students, such as Student Government and other student activities. It should be easy to formalize comparative information.

Mr. Moore agreed that comparing to other campuses was good for recruitment, but community interaction and involvement was also essential. We know the capacity of Aycock and the soccer stadium. What are we doing to fill that potential?

Mr. Kaplan reiterated that it would be helpful to see what we could earn vs. what we do earn in these areas; however do we have a long range plan for attractiveness to the student as we do for facilities. Are we doing everything we should to increase student satisfaction?

Mr. Moore called for a vote on the fees and it was passed unanimously.

Authorization for Lease Space (BAC-2)

Mr. Taylor advised that two separate offices within the Division of Continual Learning have leases expiring in the near future. The recommendation is that the Board of Trustees approve that the University proceed with locating space to house the programs currently in space secured under the expiring leases. The current annual lease rates are $25,000-$30,000. The new leases will be bid.
John Bryant asked why the recommended action does not have a cap on the amount to be spent. Mr. Taylor said the current leases are between $25,000 and $30,000 per year and he expects the renewals to be similarly priced.

Mr. Kaplan moved to accept, Mr. Pratt seconded and the vote was unanimous.

**Designer Selection (BAC-3)**

Davis Lumpkin reported that Facilities Design and Construction was very busy planning for the future and the following items were the first in a growing list of items that would be brought to the Board in the future.

The Steam Distribution Pipe Replacement project with a budget of $1.5 million was advertised. Ten letters of interest were received, one from a local firm (local is defined to mean Guilford County). Three firms were selected for interview and the firm of McCracken & Lopez, PA was recommended due to their demonstrated ability to deal with steam problems, attention to maintenance issues and attention to detail during construction administration.

Mr. Lumpkin advised that President Bowles initially announced that all residence halls would have fire alarms and sprinklers in the UNC system by 2010. There was some concern as there are not enough contractors in the state of North Carolina to complete the project during the nine week summer hiatus from classes. This is also the time our campus tries to generate income through the use of the residence halls for camps. We had previously planned to have all halls sprinkled by 2018. President Bowles mandated the time frame to be completed by 2012. This is physically possible but funds are a major consideration. The General Assembly moved to allow the campuses to use a portion of their R&R money for the completion of this project which detracts from other campus needs.

Following the approval of the fire sprinkler and alarm projects for the four residence halls being brought forth today, there will be seven more to approve prior to 2012 for a total of $9.5 million.

The Cone Residence Hall Fire Alarm project with a budget of $650,000 is to replace an existing fire alarm system for the 9-story, 81,000 square foot residence hall. Sixteen letters were received, one from a local firm, four firms were interviewed and Harrington Group was recommended for this project due to their familiarity with two other high rise residence halls on the UNCG campus, experience with Department of Insurance (DOI) term reviews and excellence construction administration service.

The North and South Spencer residence halls fire alarm and fire sprinkler project with a budget of $1.7 million will install a fire sprinkler system and replace the existing fire alarm installed when the building was constructed. Fourteen letters were received, one from a local firm, and Stanford White was recommended as the designer due to
sprinkler experience in older buildings, DOI experience and early DOI agreements on projects and past performance and experience with UNCG.

The Jamison Residence Hall project, with a budget of $800,000 will install a fire sprinkler system and replace the existing fire alarm installed when the building was constructed. Fourteen letters were received, one from a local firm, four firms were interviewed and Schirmer Engineering was recommended for their fire protection engineering expertise, familiarity with DOI and previous state experience.

Erlene Hardie Cox asked if the design firms were familiar with the project budget when they submit their letters. Mr. Lumpkin advised that the total budget for the work is known when the letters are solicited. After the Board approves the designer, a fee is negotiated.

Linda Carlisle asked, since all three firms recommended for the residence hall fire sprinklers were finalists for the other buildings as well, could we not negotiate a better price through economics of scale. Mr. Lumpkin agreed that would seem to be the better idea; however due to the tight time frame of the projects none of the firms is believed to be large enough to handle the entire project during the nine weeks the residence halls are available for the work to be completed.

Mr. Kaplan moved for approval. Mr. Pratt seconded. The vote was unanimous.

Commissioning Agent Selection for Academic Classroom and Office Building (BAC-4)

An updated copy of BAC4 was distributed to members of the Board who had received their board meeting books in the mail. The interview process was completed on December 5. Mr. Lumpkin advised the Board that due to the new electronic elements being built into buildings now such as alarms, computerized environmental handling and monitoring, a commissioning agent is being hired from the beginning of the design phase in order to assure that all components are in place and coordinated prior to construction. This agent will test the systems during construction and will create a document for maintenance to be kept on campus for future use. The project budget listed on the BAC4 is the amount for the entire project. The commissioning agent is a small part of that cost and will be negotiated when the agent is selected.

Fifteen letters of interest were received, one from a local firm. Six firms were interviewed and McCracken & Lopez, PA was recommended due to their ability to communicate with the contractor team, their knowledge of university maintenance requirements and systems integration, and their proven performance on university projects.

Mr. Moore asked if the cost would be a percentage of construction as with an architect. Mr. Lumpkin advised that it would be, but he did not have the percentage on hand.
Mr. Kaplan moved for approval. Mr. Pratt seconded. The vote was unanimous.

**Construction Manager @ Risk Selection for the New Academic Classroom and Office Building (BAC-5)**

Mr. Lumpkin advised the Construction Manager @ Risk (CM@Risk) is a newer form of managing construction for UNCG. It has been used on Aycock Auditorium and Petty building renovations. They begin on the project in the design phase to overview and integrate all pieces of the project together. This also improves our Historically Underutilized Businesses (HUB) percentages as the project components can be subdivided rather than bid as a large subcontract.

Fourteen letters were received, one from a local firm. Six firms were interviewed and Rogers Hardin was selected for recommendation due to their familiarity with the UNCG campus, they are a proven team and their experience with Leadership in Energy and Environmental Design (LEED) certification. This will be our first Silver LEED building on campus though we have used many of the designs in previous buildings.

Mr. Pratt moved for approval. Mr. Kaplan seconded. The vote was unanimous.

**INFORMATION ITEMS**

**Report on Architects/Designers Appointed by Chancellor (BAC-6)**

Projects that are budgeted for $500,000 or less are approved by the Chancellor and reported to the Board at the next meeting.

For the Sink Building Roof Replacement, 15 letters of interest were received, three from local firms. Rooftop Systems Engineers, PC was selected due to similar experience on other state projects, design members will also be construction administration observers and the design team having good technical understanding of project complexity.

For the Campus Bike Master Plan, 12 letters of interest were received, two from local firms. The Louise Berger Group, Inc. was selected due to their experience with bicycle/pedestrian work, local experience of the firm, and planning project of similar size as UNCG.

For the Campus Recreation Study, 4 letters of interest were received. The firm of Brailsford & Dunlavey was selected due to their experience in performing recreation feasibility studies, experience with campus recreation facilities and programs and their demonstration of specialized processes and systems of collecting program information.

**Capital Projects Update (BAC-7)**

Fred Patrick presented a power point presentation outlining which buildings have been completed and brought on-line during 2007:
• The Gatewood Arts Building,
• The Gove Health Center renovation,
• The dining hall roof replacement,
• The Reynolds Dorm fire sprinklers,
• The McNutt Building renovation,
• The Brown Building renovation.

The buildings/projects which are still under construction:

• Aycock Auditorium
• The Petty Building
• The Alumni House
• The Forney Building

And the buildings/projects which are in design:

• The New Academic and Office Building
• The Foust window replacement
• The Grogran Dorm fire sprinklers
• The steam distribution replacement
• The Weil-Winfield Dorm fire sprinklers

There was also a short montage of the building of the new Petty Building walkway/bridge to College Avenue.

The meeting was adjourned at 10:29 a.m.

Respectfully submitted,

Donna Honeycutt