

**Florida Agricultural and Mechanical University
Board of Trustees**



Facilities Planning Committee
Grand Ballroom
October 2, 2013
Time: 2:30 p.m. – 3:30 p.m.

Facilities Planning Committee Members:

Trustee Spurgeon McWilliams, Chair
Trustee Glen Gilzean
Trustee Kelvin Lawson
Trustee Kimberly Moore
Trustee Karl White
Trustee Cleve Warren

Agenda

- I. Call to Order Chairman Spurgeon McWilliams

Action Items

- II. Approval of Minutes – August 7, 2013 Chairman Spurgeon McWilliams
III. Approval of Bus Stop License Agreement for College of Law Attorney David Self

Information Items

- IV. Project Updates Mr. Kendall Jones

**FLORIDA A&M UNIVERSITY
Board of Trustees
Facilities Planning Committee Meeting
Grand Ballroom**

**Summary Minutes
August 7, 2013**

Committee Members Present: Trustee Spurgeon McWilliams (Chair), Trustee Glen Gilzean, Trustee Kelvin Lawson, Trustee Kimberly Moore, Trustee Karl White, and Trustee Cleve Warren.

Others Attending: Trustee Solomon Badger; Trustee Marjorie Turnbull; Trustee Narayan Persaud; Trustee Anthony Siders II, Interim President Larry Robinson; Interim CFO & Vice President, Joseph Bakker; Attorney Linda Barge Miles; Attorney David Self; and Interim Associate Vice President, Kendall Jones.

Chairman McWilliams called the meeting to order at 3:30 p.m., and Ms. Sandy Mitchell, Administrative Assistant, Construction and Facilities Management, was recognized to call the roll. A quorum was established.

Action Items

Chairman McWilliams announced that there were two action items and one information item regarding updates on six construction projects.

Approval of Minutes – April 10, 2013

The first action item was the approval of the Minutes for April 10, 2013. Chairman McWilliams asked for a motion for the approval of the Minutes for April 10, 2013. The Minutes were unanimously approved and the motion carried.

Authorization to Evaluate Feasibility of Acquiring Property in Innovation Park

The second action item was the acquisition to evaluate feasibility of acquiring property in Innovation Park. Chairman McWilliams asked Mr. Kendall Jones, Interim Associate Vice President for Construction and Facilities Management to proceed with the acquisition of property in Innovation Park.

Mr. Jones provided to the Committee information relating to FAMU's presence in Innovation Park to include the College of Engineering as well as the physics research operation at the Centennial Building, which is a 32,700 square foot facility.

Mr. Jones also explained that the Leon County Research and Development Authority (Authority) is interested in having FAMU take over ownership of the Centennial Building (including 3.9 acres of land); and that the acquisition of the land and the Centennial Building in Innovation Park is consistent with the University's vision and mission.

Mr. Jones continued the presentation by stating that the Authority is interested in having approximately seventeen (17) acres of undeveloped land in Innovation Park reassigned to FAMU at no cost.

Next, Mr. Jones informed the Committee that Leon County Commissioner and Chair of the Leon County Research and Development Authority, Ms. Kristin Dozier was there to share more information about the opportunity for FAMU to have ownership of the property in Innovation Park. Mr. Jones also informed the Committee that he would provide further information about the feasibility of ownership later in the Committee meeting. This concluded Mr. Jones' introduction of the acquisition of property in Innovation Park.

Then, Chairman McWilliams welcomed Leon County Commissioner and Chair of the Leon County Research and Development Authority, Ms. Kristin Dozier and asked that she proceed with her presentation.

Commissioner Dozier thanked the Committee and Chairman McWilliams for allowing her to make the presentation to the Committee. Commissioner Dozier also acknowledged Trustee Kimberly Moore, Interim President Larry Robinson, and Mr. Joseph Bakker, Interim CFO and Vice President for Administrative and Financial Services for their support and involvement of the Leon County Research and Development Authority (Authority).

Commissioner Dozier provided the history of the Authority and explained that the Centennial Building is currently leased from the Authority, who is responsible for managing Innovation Park. Further, the Authority is interested in having approximately 17 acres of undeveloped land in the Park reassigned to FAMU at no cost to FAMU; the Authority is interested in having FAMU take over ownership of the Centennial Building (including 3.9 acres of land); and that the acquisition of the land and the Centennial Building in Innovation Park is consistent with the University's vision and mission.

Thereafter, Commissioner Dozier summarized her presentation by stating that the Authority is actively seeking to reduce its role in the Park and would like to:

- (a) Transfer most of its existing buildings and related land leases to the current occupants;
- (b) Transfer unassigned leasehold interests of undeveloped land to occupants; and;
- (c) Divide remaining undeveloped land.

Commissioner Dozier stated that the Authority proposed the following to FAMU:

- (a) The opportunity to acquire ownership of the Centennial Building (including 3.9 acres of land). There is an approximately \$3 million dollar loan balance on the building. FAMU would have to assume responsibility for the payoff; and
- (b) The opportunity to acquire approximately 17 acres of undeveloped land in the Park.

Lastly, Commissioner Dozier stated that the Authority did a presentation to the Leon County Commission in July as well as started working towards gaining potential partners. Further, Commissioner Dozier stated that timing was crucial and the next steps would be to get approval from the FAMU's Board of Trustees (BOT) in tomorrow's meeting. Upon approval from the BOT the Authority will make a presentation to the State. Commissioner Dozier reiterated that there was an incentive for FAMU to make a legislative request for operational and maintenance dollars for the Centennial Building.

Chairman McWilliams asked if there were any questions or comments for Commissioner Dozier. There were several comments and discussions by the Committee members to include:

- (1) Trustee Siders II asked if a presentation was made to Florida State University (FSU) Board of Trustees and if FSU had to vote on this stipulation. Commissioner Dozier replied that FSU process was somewhat different and that FSU's decision is made by Dr. Gary Ostrander, Vice President for Research and Dr. Eric Barron, President of FSU. Commissioner Dozier also stated that she did not have to do a formal presentation and this was the most formal and public presentation regarding this restructuring plan.

Commissioner Dozier responded that there have been several meetings with Interim President Robinson, and that the Authority has done a presentation to the stakeholders to work through any challenges to ensure that the best proposal be presented to the University.

- (2) Trustee Siders II asked if any other Facility Committee members with the exception of Trustee Moore had visited the property.

Chairman McWilliams responded that he has visited the Park, but not specifically this property. Interim President Robinson also stated the he has visited the Park on several occasions.

- (3) Interim President Robinson advised the Committee Members that the Authority was previously scheduled to do a presentation for the Facilities Committee, but it was taken off the agenda because the BOT meeting was going to be a conference call and a Committee meeting was not going to be held.

- (4) Trustee Gilzean expressed that he had some reservations about moving forward with the proposal at this time in view of the short period of time for a decision and of not having the opportunity to visit the property
- (5) Trustee Lawson asked a question to Mr. Bakker and team as it relates to the proposal of whether they agreed with the numbers; whether they agreed with the financial assumptions; and their point of view and advice to the Facilities Committee.

Chairman McWilliams intervened and stated that the acquisition presentation wasn't complete and there will be opportunity at the end to answer these questions.

- (6) Chairman McWilliams brought to the attention of Commissioner Dozier that the concept of Innovation Park has been around thirty years and the ideal was to begin an economic development in this area in a collaborative effort. Chairman McWilliams further stated that the Park probably would have collapsed if it had not been for FAMU and FSU. Chairman McWilliams asked whether there have been any thoughts of changing the composition of the administration and giving the universities more say on what goes on at the Park. Chairman McWilliams stated that perhaps the Chamber of Commerce, County Commissioners, etc., could serve as a background advisory group, but let the universities work together to make the partnership happen.

Commissioner Dozier stated that she agreed with Chairman McWilliams but also stated that to maintain the economic development component or have it created, and move forward, she believed having the Authority there with some private sector presence and some local government representation is helpful. Lastly, Commissioner Dozier stated that she extends an invitation to anyone that would like to tour the Park.

- (7) Trustee Turnbull provided an example of a thriving Research Park that is associated with the University of Central Florida. Trustee Turnbull stated that the ideal was to place the research park by the airport to bring in the private sector that would provide opportunity for faculty involvement; opportunity for student internships; and then almost secondarily to be an economic engine for the community.
- (8) Trustee Gilzean asked if the Chamber of Commerce is participating or helping with the economic development. Further, Trustee Gilzean asked if any potential corporations were scheduled to be a part of the Park.

Commissioner Dozier replied that in past years the Economic Development Council (EDC), which is a program under the Greater Tallahassee Chamber of Commerce, has been involved. The City and County contribute approximately \$150,000 a year. Commissioner Dozier pointed out that the EDC collaborated

with city, county government, and other private sectors to attract and maintain businesses in the community. Lastly, Commissioner Dozier stated that the Authority have been in partnership with the EDC for approximately 2 ½ years.

Chairman McWilliams thanked Commissioner Dozier for her presentation and asked Mr. Jones to continue with his report regarding the acquisition of property in Innovation Park.

Mr. Jones informed the Committee that enclosed in the Board's materials is the Division of Sponsored Research's explanation of how it plans to use the Park property, if it were to be obtained. Mr. Jones pointed out that the plan includes using the area as a place where academic research and development is conducted and transformed into innovative new business enterprises, and where innovative individuals and organizations can share their technical knowledge and promote economic development.

Further, Mr. Jones stated that with regard to the acquisition of the Centennial Building, current lease payments by the University, if continued would pay off the remaining debt on the building in 13 years. Mr. Jones explained the Feasibility Summary for Centennial Building Acquisition which shows that the University will have the financial resources to maintain and operate the building. Mr. Jones provided a slide to show the current/annual expenses as well as the current/annual revenue.

Thereafter, Mr. Jones stated that if the acquisition is approved the total expenses will be covered by the two grants that Sponsor Research is currently receiving and the University will be in a position to request that the 32,700 square feet of space be requested for operations and maintenance funding from the Board of Governors, and if granted there will be a surplus of about \$287,000. This concluded Mr. Jones presentation.

Chairman McWilliams thanked Mr. Jones and asked if there were any questions from the Committee. There were several comments and discussions by the Committee members to include:

- (1) Trustee Lawson requested clarification of his understanding that:
 - (a) The University is currently under lease until the year of 2026. Mr. Jones responded that he was correct.
 - (b) There is a lease obligation of 110% of the debt and we would have to pay through 2026 anyways.
- (2) Trustee Siders II asked if the agency folds, based on the statute the property will be given to FAMU and FSU; and then what happens to the lease if that Agency folds.

Chairman McWilliams commented that in any situation there will be risks and applauded the University for its efforts. Chairman McWilliams stated that before the Committee votes that he would like to hear from the President regarding this project.

Interim President Robinson indicated to the Committee that he had past experience with the Authority having served on the Board twice. Interim President Robinson stated that the University has reasons for being out at the Park and that the productive research program is there due to not having the capacity to accommodate the program on the main campus. Interim President Robinson further stated that it is a great investment and opportunity for the University; and there is potential for future expansion.

- (3) Trustee Moore requested to be excused from participation due to her role with the LCRDA Board of Governors. Chairman McWilliams acknowledged Trustee Moore's request.
- (4) Trustee Turnbull asked if the payment will become building equity. Mr. Bakker replied "yes." Trustee Turnbull then asked if we provide the State our space request will we receive funding based on square footage. Mr. Jones stated "yes." Trustee Turnbull then asked if each time we increase building space do we have to get approval for additional operational and maintenance funding. Mr. Jones replied that it must be approved and it is typically around \$10 to \$13 per square foot. Trustee Turnbull then asked if the Board of Governors have ever turned us down in the past. Mr. Jones responded not to his knowledge for E&G space requests.
- (5) Trustee Gilzean asked if an appraisal has been completed for the property; if we know the actual value of the property; and if not, he recommends that this issue be tabled for 30 days to give the University the opportunity to gather this information for the Committee to make a conscientious decision. Chairman McWilliams asked Trustee Gilzean if this was a motion. Trustee Gilzean stated "yes." Chairman McWilliams asked if there was a second to the motion. The motion lacked a second and therefore did not carry.
Chairman McWilliams asked the Committee for motion for approval of the proposal. A motion for approval was presented and seconded. Trustee Warren asked if the undeveloped land (17 acres) was being included in the 3.9 acres as part of the package. Trustee Warren wanted to clarify if the Committee was approving for the President to show an expression of interest or giving the President the authority to enter into contract negotiation. Mr. Jones responded to Trustee Warren's question by presenting the following as the University's recommendation:

1. Should the State approve the reassignment of the proposed Innovation Park land from the Leon County Research and Development Authority to FAMU,

the Board of Trustees accepts the reassignment subject to the review and approval by the Office of the General Counsel;

2. Should the above-mentioned reassignment occur, the Board of Trustees authorizes the President to secure financing and enter into a contract with the Leon County Research and Development Authority for the acquisition of the Centennial Building, subject to the review and approval of the Office of the General Counsel Office; and

3. The President reports to the Board of Trustees on the status of the acquisitions at future Board meetings until the acquisitions have been completed.

(6) Trustee Warren wanted to know if we have the authority to retire the debt and would a separate approval be required. Mr. Bakker answered that it was a separate approval. Then, Mr. Bakker stated that there were two parts to the acquisition.

First, the reassignment of the land to FAMU by the State if the Board agrees. Second, is the acquisition of the Centennial Building which is owned by the Authority. Mr. Bakker further stated that there is an outstanding debt on the building and if the University assumes the debt, the University must obtain the Board of Governors approval. Mr. Bakker also stated that the University would have to decide on the type of debt instrument we would use and would have to go through the Division

Trustee Warren followed up with requesting clarification if the current lease payment would become a loan payment. Mr. Bakker agreed.

Trustee Warren inquired about the additional \$50,000 proposed budget for maintenance and operational costs. Mr. Bakker stated that we wanted to be conservative because the building is getting older and there will be more maintenance costs. As such, the existing maintenance and operational costs was increased from \$202,517 to \$250,000. Also \$90,000 was set aside for as an annual maintenance reserve.

Trustee Warren asked if the anticipated repair cost related to the HVAC system would be incorporated into the \$50,000. Mr. Bakker replied "yes." Trustee Warren further asked if the developer in the current contract has the responsibility for paying the maintenance out of the lease payment. Mr. Bakker replied "no." Trustee Warren then asked if we were responsible for our own maintenance. Mr. Bakker stated that we pay for the maintenance. Mr. Bakker further stated that there is a lease payment and an operational maintenance payment. The operational maintenance of the building is \$202,000, which we pay to the Authority.

Trustee Warren indicated that even if we don't get the money from the State for maintenance we would set aside \$90,000 cash flow a year to cover any potential maintenance costs of the building. Mr. Bakker stated the Authority estimates the land to be worth 1.9 million dollars. Trustee Warren asked if the University will still be a part of the Association. Mr. Bakker replied "Yes."

Next, Trustee Warren expressed concerns regarding the possibility of increase costs to maintain the Park as spaces are vacated. Mr. Bakker indicated that it would have to be negotiated with the Authority. Mr. Bakker further stated since Trustee Warren referenced this issue it would be prudent for us to discuss with the Authority.

- (7) Chairman McWilliams elaborated on the University having more of presence in Innovation Park because of the additional 17 acres of land, and should have more say as it relates to Park issues. Chairman McWilliams suggested that the Authority should serve the University in an advisement role, but strongly reiterated that the universities should have more authority.
- (8) Trustee Badger asked the question regarding the \$3 million approximate acquisition cost. Mr. Bakker explained that the building is currently owned by the Authority and they have invested approximately \$5 million into the building, which is financed. The current debt on the building is about \$3 million.
- (9) Trustee Lawson requested confirmation if the Interim President and staff felt that this was a good financial decision both short or long term with all of the variables and all the risk being weighed based in their expert opinion. President Robinson confirmed that it was a good project for the University

After, lengthy discussions, Chairman McWilliams called for vote on the recommendations and the motion carried. Chairman McWilliams reiterated that the acquisition must be voted on at the full Board meeting.

Project Updates

Chairman McWilliams requested Mr. Jones to proceed with the six ongoing construction project updates.

Mr. Jones stated that there are six construction information project updates as follows:

800 Bed Project – The precast hollow core planks and vertical construction is in progress on the west and east buildings. The building will be topped out and dried in by the end of August meaning that the building shell will be completed.

Plumbing rough-in continues on the first, second, and third floors in both east and west buildings. Mechanical rough-in continues on the first, second, and third floors in the form of HVAC ducts, water, and condensation piping being installed. The underground utilities are 90% complete. The project is on schedule to be substantially completed in May 2014.

Phase II of the Pharmacy Building – The off-site storm water facility and parking lot are 100% complete. The utility site work is progressing and due to delays associated with design documents, the foundation and vertical construction work is being impacted. In collaboration with the Board of Governors and the General Counsel's Office, the Project Team issued a Notice to Proceed to the Architect to provide 100% signed and sealed documents to the University on August 11, 2013, and will be submitted to the Fire Marshal's Office for review. The design drawings will have to be valued engineered down to current construction budget. This process will extend the project completion date. The projected completion date is May 2014.

FAMU/FSU College of Engineering Phase III – Renovations of the Building A and Chiller Plant have been completed. Due to water intrusion issues discovered an additional scope was added to the original scope of work. The additional scope is scheduled to be completed by August 12, 2013. The Project Team is currently working with the Architect to identify additional issues in Building "A" which may need to be addressed during the phase of the project.

Human Resources Renovation – The renovation work is progressing. Structural issues were discovered which required additional work to be performed. Fire penetrations required corrective measures which caused some delay in the project. Anticipated substantial completion is the end of August 2013.

FAMU Faculty Club House Renovation – The demolition work has been completed. Renovation work is progressing. Excessive wood rot was discovered which required an inspection of the structural integrity of the facility. The inspection revealed minimum damage which is currently being addressed. Anticipated substantial completion is August 30, 2013.

Resurface and Upgrade of the Robert “Pete” Griffin Track – The project design and specifications have been completed. A bid package is being prepared and will be advertised and awarded during the month of August. The construction phase of the project will start early September and the anticipated substantial completion date is December 31, 2013.

Chairman McWilliams then asked if there were any additional questions regarding the project updates. Trustee Lawson asked if there were any conceptual plans or proposals for minor or major projects regarding improvements to Bragg Stadium. Mr. Jones responded “no.” Trustee Lawson requested that an assessment be done regarding improvements of Bragg Stadium. Mr. Bakker and Mr. Jones indicated that an assessment can be done. Trustee Lawson asked how long would it take for an assessment to be completed. Mr. Jones responded that it would take about three months. Trustee Lawson requested if this information could be provided to the Board at the October meeting.

Interim President Robinson intervened and informed the Committee that Mr. Michael Smith, Interim Athletic Director was working with a consultant who was assessing the athletic facilities and requested Mr. Jones follow-up with Mr. Smith regarding the scope of this work. Interim President Robinson indicated that this information will be shared with the Board.

Chairman McWilliams asked if there were any further questions for Mr. Jones. There were no further questions or comments the meeting adjourned. The meeting adjourned at 4:26 p.m.

Respectfully submitted,

Spurgeon McWilliams
Committee Chairman

Transcribed by: _____
Sandy Mitchell



Florida Agricultural and Mechanical University
Board of Trustees Action Item

Meeting Date October 2, 2013

Agenda Item:

Item Origination and Authorization

Policy Award of Bid Budget Amendment Change Order
Resolution X Contract Grant Other

Action of Board

Approved Approved w/ Conditions Disapproved Continued Withdrawn

Subject: Authorization for the Interim President to execute a Transit Station License Agreement providing for a transit station (bus stop shelter) servicing the Florida A&M University College of Law in Orlando Florida.

Rationale: The City of Orlando operates a public transportation system commonly referred to as "LINX". LINX also services the Florida A&M University College of Law in Orlando. The City of Orlando proposes to construct and maintain a transit station on property owned by the Florida A&M University Board of Trustees near the intersection of Hughey Avenue and Washington Street in Orlando. The transit station will benefit University students and other constituents and patrons of the University's College of Law, providing them some protection from the elements while waiting for bus service.

The proposed agreement will have a ten-year term. The City of Orlando will be responsible for the maintenance, cleaning and liability associated with the transit station.

Recommendation: Authorize Interim President Robinson to enter into a Transit Station License Agreement with the City of Orlando to provide a Transit Station bus stop on property owned by the Florida A&M University Board of Trustees near the intersection of Hughey Avenue and Washington Street in Orlando, Florida. Said agreement to be subject to the review and approval of the Office of the General Counsel.



Florida Agricultural and Mechanical University
Board of Trustees Information Item

Meeting Date: October 2, 2013

Agenda Item IV

Subject: Major Projects Update

The following provides an update on six (6) construction projects:

Project(s)	Status
800-Bed Dorm	<p>Site-work throughout the property continues as the storm water drainage system and sanitary system installation is ongoing. The excavation of the detention pond continues at the southeast end of the site. Vertical construction is progressing in the form of CMU walls and elevated slabs are near completion. The installation of the precast hollow core planks is 100% complete for the entire building. The installation of the exterior windows has commenced and continues at the south, east, and west elevations at floor 1 thru 4. The waterproofing application continues at the south, east, and west elevations of the building. Mechanical, electrical, plumbing and fire protection rough-in continues throughout the building with installation of the sanitary and service water lines, HVAC piping and duct, fire sprinkler pipe, and electrical conduit. Drywall framing and installation of interior door frames continues throughout the building in both the east and west wing. The site infrastructure extension portion of the project continues with the installation of the chilled water lines and the installation of the gas lines by the City of Tallahassee.</p>
Phase II of the Pharmacy Building	<p>Phase II of the Pharmacy Building consists of constructing 77,399 GSF of classroom, research offices, and student support spaces. The off-site storm water facility and parking lot is 100% complete and building site work is in progress. The 100% construction documents received on August 13, 2013, from the Architect were found to be incomplete. The University provided review comments to the Architect to be incorporate in the 100% documents. The 100% signed and sealed documents are due September 19, 2013. This process will extend the project completion date.</p>



Florida Agricultural and Mechanical University
Board of Trustees Information Item

<p>FAMU/FSU College of Engineering Phase III</p>	<p>The additional scope of work related to water intrusion has been substantially completed. The Architect is in the process of developing a partial roof replacement bid package for Building "A."</p>
<p>Human Resources Renovation</p>	<p>The renovation work has been substantially completed and the HR staff has been relocated back into the newly renovated space as of September 5, 2013.</p>
<p>Faculty Club House Renovation</p>	<p>This project has been substantially completed. Awaiting the furniture and equipment to be delivered.</p>
<p>Resurface and Upgrade of the Robert "Pete" Griffin Track</p>	<p>This project consists of resurfacing the University Track and making other improvements to the Robert "Pete" Griffin Track Facility. The project design and specifications have been completed. The bids were received August 29, 2013, and a notice to proceed has been given to the Construction Manager to start construction.</p>