

BOARD OF TRUSTEES MEETING
The University of North Carolina at Chapel Hill

The Board of Trustees met in special session on Thursday, August 28, 2008, at The Carolina Inn, Chancellor's Ballroom West, at 10:02 a.m. Chair Perry presided.

ROLL CALL

Assistant Secretary Brenda Kirby called the roll and the following members were present:

Roger L. Perry, Sr.	Sallie Shuping-Russell
Russell M. Carter, Secretary	Robert W. Winston
John G. B. Ellison, Jr.	J.J. Raynor
Paul Fulton	

The following members joined the meeting via teleconference:

Karol V. Mason, Vice Chair	Nelson Schwab III
Phillip L. Clay	A. Donald Stallings
J. Alston Gardner	

Barbara R. Hyde was absent.

Chair Perry opened the meeting by reading the following statement regarding the State Government Ethics Act:

“As Chair of the Board of Trustees, it is my responsibility to remind all members of the Board of their duty under the State Government Ethics Act to avoid conflicts of interest and appearances of conflict of interest as required by this Act. Each member has received the agenda and related information for this Board of Trustees’ meeting. If any Board member knows of any conflict of interest or appearance of conflict with respect to any matter coming before the Board of Trustees at this meeting, the conflict or appearance of conflict should be identified at this time.”

Anna Wu, Director of Facilities Planning, presented the following action item to the Board:

• **Design Approval- Innovation Center.** This project consists of an 85,000 SF building to house wet and dry laboratory space, office space, amenities, and technical and business development resources needed to successfully identify, evaluate, launch, capitalize, and manage new companies across many different areas of technology represented within the University’s research programs. It will include space for the University’s Office of Technology Development. The building will be constructed and operated by Alexandria Real Estate Equities pursuant to a lease arrangement previously approved by the Board of Trustees.

The project budget is \$20M with funding from Alexandria Real Estate Equities.

The Board of Trustees reviewed this project in July, 2008. The design has been revised to address comments by Trustees.

The presentation generated discussion that focused on the overall concept of Carolina North and how the Innovation Center fits within the context of Carolina North.

Trustees Fulton, Carter, Clay and Shuping-Russell expressed their concerns about voting on a building without having design guidelines for Carolina North in place. Chair Perry reminded the trustees that the main campus has no design guidelines in place and that the current campus palate varies considerably.

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Trustee Carter remarked that his concerns have been about the process of building this building and not the building itself. "The due diligence of the Board and Administration owes it to the University to discuss and debate the concept and the style of the new campus. There needs to be a collective consensus of what this campus is going to be in its looks and design; that it will not be restrictive to that debate; and that it will also not launch a style, design, or a concept that is yet to be discussed. With that parenthetical, I am in support of this building. I am still conflicted as to how this process happens. We need to commit to a very serious discussion of how and what Carolina North conceptually is going to look like. I am not weighing in on whether it has traditional construction, non-traditional construction, or materials. The broad discussion has yet to take place. We need to come to a consensus that we can then present to all UNC constituencies that this is what it will look like and we approved it and we will be proud to put our e-mail addresses and cell phone numbers on everything that goes on out there."

Trustee Ellison asked for the design team to show the Board at the September meeting what the natural landscape will look like in the winter.

Chair Perry addressed the concerns of the trustees and commented on the haste of the Board to get the building built and the desire for Carolina North to open. Using traditional materials allows us flexibility in building design for future development. The unifying elements are the landscape, stone walls, brick walkways, and pedestrian linkages. The Board has seen and discussed those elements a great deal over the last few years. There is nothing about this building that restricts our ability to shape and craft Carolina North the way we want to.

Trustee Winston mentioned that this building is out of sync to some degree, but there are reasons for it. We are doing the right thing by moving forward. There is a great opportunity here, and we are trying to take advantage of it. This has been an incredibly detailed process over the last three years to get where we are today. There is a lot of work yet to be done. Every building will be vetted the way it has always been. Each design will come before the Board like it always has.

Trustee Carter commented that he didn't feel like we are designing a campus. We are too focused on the building. Chair Perry reminded Trustee Carter that we have already designed the campus. The Board spent four years designing the Master Plan for Carolina North. That is what the campus is: it is your land plan and how you lay out your streets, how you lay out your pedestrian linkages, where you put building pads, where you put building sites and how all that works together and how you create your open space, your recreation space...we've done all of that. We have studied this whole piece of land, we have done land studies, transportation studies, we have done every possible study we can do and arrived at a two hundred fifty acre footprint that is extraordinarily well thought out, extraordinarily well laid out and the only missing piece is to figure out what the architectural guidelines are going to be. Trustee Winston echoed Chair Perry's comments.

Trustee Carter reiterated that he is not promoting anything architecturally specific, but he is promoting a due diligence process where the Board is somewhat unified in what they think about whatever they think. The discussion should be comprehensive and not be a bunch of singular opinions.

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Trustee Shuping-Russell called the question.

Mr. Winston moved approval of the item. Mr. Ellison seconded the motion and it carried unanimously.

(ATTACHMENT A)

A copy of the PowerPoint presentation is located at: <http://www.unc.edu/depts/trustees/>
A copy of the presentation is also filed in the Office of the Assistant Secretary.

Matt Kupec, Vice Chancellor for University Advancement, presented the following action item to the Board:

• **Election of Endowment Fund Trustees.** North Carolina General Statute 116-36 and Board of Governors' regulations require that the Board of Trustees elect the membership of the Endowment Board of Trustees. There are two (2) vacancies. Attachment B is a chart showing the names and terms of the current Endowment Trustees.

Ms. Shuping-Russell moved approval to elect Nelson Schwab and Sallie Krawcheck to the Board of Trustees of the Endowment Fund each for a three (3) year term ending in 2011. The motion was dually seconded and it carried.

(ATTACHMENT B)

ADJOURNMENT

There being no further business to come before the Board, Chair Perry adjourned the meeting at 10:45 a.m.

Assistant Secretary