

**BOARD OF TRUSTEES MEETING**  
**The University of North Carolina at Chapel Hill**  
**November 15, 2018**

The Board of Trustees met in regular session on Thursday, November 15, 2018 at The Carolina Inn, Chancellor's Ballroom. Chair Cochrane convened the meeting at 8:02 a.m.

**ROLL CALL**

Secretary Grumbles called the roll and the following members were present:

Haywood D. Cochrane, Chair	Allie Ray McCullen
Charles G. Duckett, Vice Chair	W. Edwin McMahan
Julia Sprunt Grumbles, Secretary	Hari H. Nath
Jefferson W. Brown	Dwight D. Stone
W. Lowry Caudill	Richard Y. Stevens
Kelly Matthews Hopkins	Savannah Putnam
William A. Keyes IV	

Secretary Grumbles indicated that there was a quorum.

**STATE GOVERNMENT ETHICS ACT**

Chair Cochrane read the following statement:

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.

Trustee Stevens indicated a potential conflict of interest with the West Street Drive improvements item to be considered during the Finance, Infrastructure, and Audit Committee report.

**CONSENT AGENDA**

**Approval of Minutes and Mail Ballots**

On motion of Chair Cochrane and a second by Trustee Hopkins, the minutes of the meeting of September 27, 2018 were approved as distributed; as was the ratification of the following mail ballots dated:

- October 26 – personnel actions, actions conferring tenure, and compensation actions
- October 29 – confidential naming matter  
(ATTACHMENTS A-B)

**CHAIR'S REMARKS**

- Chair Cochrane thanked those in the audience for attending, and referenced the agenda for the meeting.
- Thanked the Board for their work in recent months representing the University.
- The Chair acknowledged the 2018 Davie Award winners:
  - Munroe Cobey
  - James Peacock
  - Kay Massey Weatherspoon
  - Leonard Wood
- Chair Cochrane also thanked Trustees Stone, Grumbles, Duckett, and Caudill for presenting awards.
- The Chair discussed recent successes in the campaign including a gift from former trustee Don Curtis.
- Chair Cochrane shared recent fall sport successes.
- The Chair then thanked Chair Smith and the Board of Governors for the extension on the plan for the confederate monument.
- Chair Cochrane congratulated Dr. Bill Roper on his recent appointment as Interim UNC President starting in January.
- The Chair then concluded his remarks by calling upon Trustee Putnam.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

**STUDENT BODY PRESIDENT'S REMARKS**

- Trustee Putnam shared highlights from the undergraduate executive branch.
- Trustee Putnam then shared updates from the graduate and professional student federation.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

### **CHANCELLOR'S REMARKS**

- Chancellor Folt began her remarks by thanking Chair Cochran and the board for their continued support.
- The Chancellor also thanked the BOG and Chair Smith for the extension on the plan for the confederate monument.
- Chancellor Folt continued and shared updates and accomplishments that have occurred since the September meeting.
- Chancellor Folt ended her remarks by introducing the presentations.

[A copy of these remarks is located in the Office of the Assistant Secretary and at bot.unc.edu.]

### **CHANCELLOR'S SCIENCE SCHOLARS**

Chancellor Folt introduced Kevin Guskiewicz, Dean of the College of Arts and Sciences. Dean Guskiewicz introduced Dr. Thomas Freeman, Executive Director for the Chancellor's Science Scholars. Dr. Freeman shared an update on the program and brought three students to share their experiences with the board – Charlie Helms, Keyaira Crudup, and John Atwater. To conclude their presentation, they entertained questions from the board.

This presentation can be found on bot.unc.edu and on file in the Office of the Assistant Secretary.

### **REPORT OF THE EXTERNAL RELATIONS COMMITTEE**

Trustee Stevens presented a review of the External Relations Committee meeting. There were no action items for this committee in open session. Trustee Stevens then shared the items presented for information:

- Communications update given by Joel Curran, Vice Chancellor for Communications
- Good Bowls Program given by Alice Ammerman, Professor and Director of the Center for Health Promotion and Disease Prevention

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

### **REPORT OF THE FINANCE, INFRASTRUCTURE & AUDIT COMMITTEE**

Trustee Stone presented the report from the Finance, Infrastructure and Audit Committee. The following items were presented to the committee for action:

#### **Designer Approval**

##### **1. Art Lab Renovations**

The Art Lab is a 17,000 SF facility built in 1976 for use by undergraduate and graduate students to create wood, metal, and ceramic art projects. The building contains a metal shop, wood shop, ceramics studio and powder mixing room, paint room, and six graduate student studios. The Art Lab is located about 1 mile north of the main campus.

The focus of the project is to replace aged HVAC equipment and make upgrades to bring the building into compliance with current safety regulations and standards, accessibility codes and statutes.

The project budget is \$1,220,000 and will be funded through the 2018 Repair and Renovations appropriation. The project was advertised on September 24, 2018. Eleven (11) proposals were received. Five (5) firms were interviewed on October 24, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of three (3) firms in the following priority order:

1. Hallam ICS Raleigh, NC
2. Sud Associates Durham, NC
3. Allison Blanks Pittsboro, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT C)

##### **2. Carrington Hall Classroom Upgrades**

This project is to abate hazardous materials in the ceilings, walls and floors of Classrooms 01 and 15 of Carrington Hall. Once the abatement has taken place, all room finishes – including lighting and fixed seating – will be replaced.

The project budget is \$462,000 and will be funded through the 2018 Repair and Renovations appropriation. The project was advertised on October 4, 2018. Eight (8) proposals were received. Four (4) firms were interviewed on November 1, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of three (3) firms in the following priority order:

1. Ratio Design Raleigh, NC
2. MHAworks Durham, NC
3. 310 Architecture + Interiors Pittsboro, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT D)

3. School of Medicine High Throughput Sequencing Facility

The School of Medicine is relocating a High Throughput Sequencing Facility (HTSF) from the existing off-campus location to the College of Arts and Sciences' Genome Sciences Building (GSB). The move includes the renovation of two rooms in GSB. The relocated equipment includes general benchtop items, single-task and analytical devices, measurement devices, genetic sequencers, server racks, refrigerators, freezers, instrument tables and storage cabinets.

The project budget is \$675,000 and will be funded through F & A Funding. The project was advertised on September 13, 2018. Five (5) proposals were received. Three (3) firms were interviewed on October 26, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of three (3) firms in the following priority order:

1. Clark Nexsen Raleigh, NC
2. BSA LifeStructures Raleigh, NC
3. RND Architects, PA Durham, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT E)

4. West Drive Street Improvements

The project is to repave West Drive from Manning Drive to Mason Farm Road. The selected designer will perform a site evaluation and produce specifications and drawings to repair and pave West Drive. The designer will also perform an investigation into the sidewalk settlement at the corner of Mason Farm and West Drive. The construction scope includes milling, overlay, signal loop replacement, and striping.

The project budget is \$650,000 and will be funded through Certificate of Participation (COP) Funding. The project was advertised on September 12, 2018. Five (5) proposals were received. Three (3) firms were interviewed on October 31, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of three (3) firms in the following priority order:

1. Timmons Group Raleigh, NC
2. McAdams Durham, NC
3. SEPI Raleigh, NC

The firms were selected for their past performance on similar projects, strength of their consultant team and experience with campus projects.

(ATTACHMENT F)

Trustee Richard Stevens recused himself from a vote on the West Drive Street Improvements due to potential conflict of interest. A motion came from committee to approve the designers in priority order. Secretary Grumbles seconded, and it passed.

A copy of this presentation is located in the Office of the Assistant Secretary and at bot.unc.edu.

**Site Approval**

1. Carroll Hall Addition

This School of Media and Journalism is seeking to build roughly 13,000 gross square feet adjacent to Carroll Hall to house flexible learning spaces, production studios, and technical support spaces. A feasibility study was completed during the summer of 2018, and concluded that the spaces around Carroll Hall are highly constrained for new construction, mostly due to the significant network of critical below-ground utility infrastructure combined with the requirements of emergency and service vehicles. Thus, the preferred location for the proposed new spaces is the current site of Phillips Hall Annex. The Annex, which is partially vacant but otherwise houses workspace for

graduate students in the Department of Economics, is in very poor condition and has been recommended for demolition. The Deans of the School of Media and Journalism and the College of Arts and Sciences have agreed to vacate the Annex and relocate the Economics graduate students.

The anticipated project budget is \$6,600,000. The School of Media and Journalism has received gift commitments to fund this project.

(ATTACHMENT G)

A motion came from committee to approve the site. Secretary Grumbles seconded, and it passed.

A copy of this presentation is located in the Office of the Assistant Secretary and at bot.unc.edu.

### **Demolition Approval**

#### **1. Phillips Hall Annex**

This is a request for approval to raze Phillips Hall Annex, a state-owned property located on campus between Phillips Hall and Memorial Hall. The property address is 130 East Cameron Avenue, and the asset number is 44. Phillips Hall Annex was built in 1925 and is a two-story, 5,500 square foot building. It currently serves as graduate student offices for the Economics Department. The building is in very poor condition and has roughly \$1,500,000 in deferred maintenance costs. The cost to demolish is estimated at \$170,000 and is scheduled to take place in summer 2019.

(ATTACHMENT H)

A motion came from committee to approve the demolition of Phillips Hall Annex. Secretary Grumbles seconded, and it passed.

A copy of this presentation is located in the Office of the Assistant Secretary and at bot.unc.edu.

### **Design Approval**

#### **1. Medical Education Building**

The new Medical Education building will replace Berryhill Hall with a new facility that would allow the Medical Education program to compete with top medical schools across the country. The project includes immersive learning for simulation, standardized patients, surgical training, and skills labs to meet the most current thinking about the increased need for inter-professional practice and education. It also includes a more flexible and consolidated foundational sciences teaching space representing anatomy and physiology (human structures) and microbiology.

Other program components in the project include an Active Learning Theatre that can hold the projected class size of 230 medical students and also facilitate interactive, case-based learning; medical education classroom and seminar space; and medical education administrative and student interface space. Additionally, the project will co-locate School of Medicine and Health Care leaderships to provide improved efficiency and bring students, clinicians and administrators together in a collaborative environment.

High efficiency heating, cooling, and lighting systems, along with well-insulated walls and roof, will yield a building that uses 30% less energy than the baseline for this building type. Similarly, by employing strategies such as low-flow fixtures and stormwater and condensate harvesting, the design will enable water use reductions of 40% below baseline.

The project is scheduled to start construction in late 2019. The project budget is \$104,500,000 and will be funded by State of North Carolina bonds, F&A, and UNC Health Care. The project was presented to the Board of Trustees for information at the May 2018 meeting.

(ATTACHMENT I)

A motion came from committee to approve the design. Secretary Grumbles seconded, and it passed.

A copy of this presentation is located in the Office of the Assistant Secretary and at bot.unc.edu.

### **Property Acquisition by Lease**

This request is to acquire approximately 7,000 square feet of rentable office space from Bell Family Properties, LLC at 214 West Cameron Avenue, Chapel Hill. This space will be occupied by the Equal Opportunity and Compliance Office where it will consolidate several teams into one location. The space is located within walking distance to campus and is ADA accessible. The space is newly built and ready for occupancy January 1, 2019.

The terms of the lease are as follows:

Term: 5 years.  
Options: 1 option to renew for 2 years and a second option to renew for 3 years.  
SF: 6,928 rentable sf.  
Rate: \$182,004/annually; \$26.27 psf – full service.  
(ATTACHMENT J)

A motion came from committee to approve the property acquisition. Vice Chair Duckett seconded, and it passed.

A copy of this presentation is located in the Office of the Assistant Secretary and at bot.unc.edu.

### **ANNUAL ENDOWMENT REPORT**

The Endowment Fund Annual Report was presented. Highlights included:

- UNC Investment Fund recorded a significant increase in its market value.
- \$71.9 million was distributed from the Endowment fund for spending in 2018 (4.4% of the fund's beginning market value).
- For FY 2019, a 2.3% increase in the annual distribution rate has been authorized by The Chapel Hill Foundation Investment Fund Board. This increase is consistent with the spending policy target threshold of increasing the rate by CPI each year.

(ATTACHMENT K)

A motion came from committee to approve the report. Secretary Grumbles seconded, and it passed.

### **TUITION AND FEES PROPOSALS**

Recommendations from the Tuition and Fees Advisory Task Force was presented.

(ATTACHMENT L)

A motion came from committee to approve the recommendations as presented. Secretary Grumbles seconded, and it passed.

A copy of this presentation is located in the Office of the Assistant Secretary and at bot.unc.edu.

Trustee Stone continued and shared the items for information only:

- Preliminary design review given by Anna Wu, Associate Vice Chancellor for Facilities Services
- Development report given by David Routh, Vice Chancellor for University Development

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

### **REPORT FROM THE STRATEGIC FRAMEWORK COMMITTEE**

Trustee Grumbles presented a review of the Strategic Framework Committee meeting. There were no action items for this committee in either open session. The following items were presented to the committee for information:

- Operational Excellence update given by Bob Blouin, Executive Vice Chancellor and Provost, Rick Wernoski, Senior Vice Provost for Business Operations, and Andy Johns, Senior Associate Vice Chancellor for Research

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

### **REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Vice Chair Duckett presented the report from the University Affairs Committee. There were two action items for this committee in open session.

### **Bachelor's Degree Program Lengths**

Request for approval of exceptions to the UNC System policy regarding credit hour requirements for baccalaureate degrees. There were a total of ten degree programs.

(ATTACHMENT M)

A motion came from committee to approve the exception. Trustee Hopkins seconded, and it passed.

**Faculty Council Resolution 2018-8**

Faculty Council Resolution 2018-8 On Amending the Policies of Governing Faculty Hearings was presented for approval.

(ATTACHMENT N)

A motion came from committee to approve the resolution. Trustee Keyes seconded, and it passed.

The following items were presented to the committee for information:

- Centers and Institutes update given by Bob Blouin, Executive Vice Chancellor and Provost (ATTACHMENT O)
- Faculty update given by Leslie Parise, Chair
- GPSF update given by Manny Hernandez, President
- Employee Forum update given by Shayna Hill, Chair

A full review of the committee meeting are in the committee minutes in the Office of the Assistant Secretary.

**MOTION TO CONVENE IN CLOSED SESSION**

On motion of Secretary Grumbles, and seconded by Vice Chair Duckett, the Board voted to convene in closed session pursuant to North Carolina General Statutes Section 143-318.11 (a) (1) (to prevent the disclosure of privileged information under Section 126-22 and the following); and also pursuant to Section 143-318.11 (a) (2), (3), (5), (6), (7), and (9).

**RECONVENE MEETING IN OPEN SESSION**

Secretary Grumbles made a motion to return to open session. Trustee Stone seconded, and it passed.

**OPEN SESSION**

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Chair Cochran referred the members to the personnel matters submitted for review. Vice Chair Duckett made a motion from committee to approve, Trustee Keyes seconded and it passed.

Chair Cochran stated that the personnel and salary actions voted on in open session had been distributed.

(ATTACHMENT P)

**ADJOURNMENT**

There being no further business to come before the Board, Chair Cochran called for a motion to adjourn. Trustee Stevens made the motion; Vice Chair Duckett seconded and it passed. Chair Cochran adjourned the meeting at 3:56 pm.

  
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Clayton Somers, Assistant Secretary