

**BOARD OF TRUSTEES MEETING**  
**The University of North Carolina at Chapel Hill**  
**February 1, 2018**

The Board of Trustees met in regular session on Thursday, February 1, 2018 at The Carolina Inn, Chancellor's Ballroom. Vice Chair Duckett convened the meeting at 8:02 a.m.

**ROLL CALL**

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

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

Chair Cochrane was not in attendance at the meeting.

**STATE GOVERNMENT ETHICS ACT**

Vice Chair Duckett read the following statement:

As Vice 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.

**CONSENT AGENDA**

**Approval of Minutes and Mail Ballots**

On motion of Secretary Keyes and a second by Trustee Grumbles, the minutes of the meeting of November 17, 2017 were approved as distributed; as was the ratification of the following mail ballots dated:

- January 5 – personnel actions, actions conferring tenure, and compensation actions
- January 15 – approval of Jonathan Pruitt as Vice Chancellor for Finance and Operations (ATTACHMENTS A-B)

**VICE CHAIR'S REMARKS**

- Vice Chair Duckett thanked those in the audience for attending. He also stated that Chair Cochrane is unable to join the meeting due to the death of his sister. He asked the audience to observe a moment of silence.
- The Vice Chair shared that the board would hear a presentation on the University Libraries and the Philosophy, Politics, and Ethics Program.
- Vice Chair Duckett acknowledged Vice Chancellor Matt Fajack and thanked him for his service to the university.
  - Asked Secretary Keyes to read a resolution of appreciation.

**RESOLUTION OF APPRECIATION  
FOR  
MATTHEW M. FAJACK  
FEBRUARY 1, 2018**

**WHEREAS**, Matthew M. Fajack served as the University's chief financial officer and vice chancellor for finance and administration from June 2014 providing exemplary management and clear vision during that time; and,

**WHEREAS**, Mr. Fajack carefully guided Carolina through a period of growth and transition, spearheading stronger oversight of campus-wide financial planning, budgeting, and treasury and risk management; and,

**WHEREAS**, Mr. Fajack skillfully managed and optimized facilities planning, construction and operations; real estate development; purchasing; public safety; campus enterprises; and environmental health and safety; and,

**WHEREAS**, Mr. Fajack reimagined the way the University conducts business, overseeing the Student Stores' evolution into to a modern retail space generating millions of dollars for student aid; and streamlining operations through Carolina Service, which identifies more efficient and effective ways to deliver services and share resources across key business activities; and,

**WHEREAS**, Mr. Fajack ensured the University is a good steward of the environment by launching the Three Zeroes initiative, which established the goal of reducing Carolina's environmental impact via net-zero water usage, waste to landfills and greenhouse gas emissions;

**WHEREAS**, Mr. Fajack achieved all these important endeavors with thoughtful collaboration, administrative skill and professional expertise;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Trustees of the University of North Carolina at Chapel Hill thanks Vice Chancellor Matthew M. Fajack and extends its deep gratitude for his contributions, leadership and service.

Vice Chair Duckett called for a motion to approve the resolution. Trustee Grumbles made the motion; Trustee Brown seconded and it passed.

- Vice Chair Duckett recognized newly appointed Vice Chancellor for Finance and Operations Jonathan Pruitt.
- Vice Chair Duckett recognized and thanked Wayne Blair, University Ombudsman, who will be leaving his position after twelve years.
- The Vice Chair acknowledged Coach Sylvia Hatchell on her milestone 1,000<sup>th</sup> win last month.
- Chair Cochrane asked that Vice Chair Duckett speak to the positive momentum at the University under Chancellor Folt.
- The Vice Chair ended his remarks by restating the board goals for 2017-18.
- Vice Chair Duckett introduced Trustee Elizabeth Adkins to provide remarks.

[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 Adkins began by thanking the board for their continued support.
- Introduced members of her cabinet and the Graduate and Professional Student Federation (GPSF).
- Trustee Adkins shared updates on recent events and initiatives:
  - Three Zeros
  - Red Zone
  - Public Service Fair
  - Hurricane Harvey relief efforts
- Trustee Adkins then shared remarks on behalf of GPSF President Madelyn Percy.
  - Reiterated that the board heard an update from Madelyn yesterday.
  - Introduced two new faculty members: Dr. Hoi Ning Ngai, Assistant Dean for Student Affairs and Dr. Jennifer Gerz-Escalon, Assistant Dean of Interdisciplinary Education and Fellowship

[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 Vice Chair Duckett and the board for their continued support.
- The Chancellor then thanked Trustee Elizabeth Adkins for her remarks and for her inclusion of the graduate student perspective.
- Thanked the BOT for recognizing Wayne Blair
- Chancellor Folt introduced Jonathan Pruitt as the new Vice Chancellor for Finance and Operations
- Also, the Chancellor thanked Vice Chair Duckett for acknowledging Coach Hatchell's 1000<sup>th</sup> win.
- Chancellor Folt shared her gratitude to facilities and staff who worked during recent storms.
- Chancellor Folt announced that Carolina surpassed \$1B in research expenditures. Carolina ranks 11<sup>th</sup> nationally, and 6<sup>th</sup> nationally among public institutions.
- The Chancellor then continued and mentioned recent faculty awards.
- The Chancellor shared that Kiplinger's report named Carolina as the best value in American public higher education for the 17<sup>th</sup> consecutive time.
- Chancellor Folt acknowledged recent admissions numbers for the Class of 2022.
- The Chancellor shared info on other recent events:
  - MLK Community Banquet
  - 50<sup>th</sup> anniversary of the Black Student Movement
  - African-American History Month Lecture
  - \$1.6M Project ENABLE announcement with Governor Roy Cooper
  - Arts Everywhere events including tap dancing in the library

- Chancellor Folt acknowledged the passing of John Lewis Brandon and Leroy Fraiser.
- Chancellor Folt shared an update on recent campaign launch events
- The Chancellor thanked Vice Chancellor Joel Curran and his team for their work on the upcoming launch of the new unc.edu website.
- Chancellor Folt invited the board to the CPA ribbon-cutting event happening tomorrow for the CURRENT ArtSpace. Also, tomorrow will be the 5<sup>th</sup> annual Give a Kids a Smile Day at the UNC School of Dentistry.
- Chancellor Folt ended her remarks by introducing the presentation.

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

### **UNIVERSITY LIBRARIES**

Chancellor Folt introduced Provost Bob Blouin to introduce Elaine Westbrooks, Vice Provost for University Libraries and University Librarian. Ms. Westbrooks shared an update on libraries at Carolina. The goal of the libraries are to become a research library in a digital age. Ms. Westbrooks focused on four pillars: preservation, student success, service to the state and beyond, and academic innovation. To end her presentation, she entertained questions from the board.

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

### **UNC-DUKE POLITICS, PHILOSOPHY, AND ETHICS (PPE) PROGRAM**

Chancellor Folt introduced Terry Rhodes, Senior Associate Dean for Humanities to introduce Geoffrey Sayre-McCord, PPE Program Director and Morehead-Cain Distinguished Professor. Dr. Sayre-McCord focused his presentation on the undergraduate PPE minor that currently has about 350 students. The program is a joint venture with Duke University and entails coursework, a capstone project, and extra-curricular programming such as weekend seminars and visiting faculty and speakers.

Dr. Sayre-McCord brought two students to share their experiences with the board, Malik Jabati and Brenee Goforth. To end 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**

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

- Public Affairs update given by Kelly Dockham, Director of Federal Affairs
- Communications update given by Joel Curran, Vice Chancellor for Communications
- 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 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 Selection**

##### **1. LED Lighting Updates to Four Parking Decks**

The project will provide lighting upgrades to LED fixtures at four parking decks; Cobb Deck, Rams Head Deck, Jackson Deck, and Business School Deck. The project budget is \$896,000 and will be funded by Transportation and Parking reserves.

The project was advertised on November 2, 2017. Eleven (11) proposals were received. Four (4) firms were interviewed on January 10, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

- |    |                     |               |
|----|---------------------|---------------|
| 1. | DeVita & Associates | Charlotte, NC |
| 2. | Clark Nexsen        | Raleigh, NC   |
| 3. | PDC Engineers       | Raleigh, 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. Carroll Hall Addition

The project will establish a new Media & Communication Studio and add new laboratory/maker spaces, to be constructed as an addition to Carroll Hall. The anticipated gross square footage of the project is 14,500 GSF. The project budget is \$6,660,000 and will be funded by donations.

The project was advertised on November 6, 2017. Six (6) proposals were received. Four (4) firms were interviewed on December 15, 2017. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. Szostak Design Chapel Hill, NC
2. HH Architecture Raleigh, NC
3. Watson Tate Savory Charlotte, 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. Frank Porter Graham Student Union Auditorium Renovation

The project will renovate the 3,585 square foot 1980s auditorium that includes replacing the auditorium's fixed seating, carpet, and wall covering, upgrading the audio, video, lighting systems, and fire alarms, modifying and resurfacing the existing stage, providing new finishes and adding an ADA stage lift. The project budget is \$1,500,000 and will be funded by the Student Union Trust Fund.

The project was advertised on November 14, 2017. Thirteen (13) proposals were received. Four (4) firms were interviewed on December 19, 2017. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. BHDP Raleigh, NC
2. Watson Tate Savory Charlotte, NC
3. Evoke Studio 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. Carmichael Residence Hall – Exterior Deck

This project will provide a new ADA accessible pathway and improved connections from the residence hall to the new Athletics/Campus Recreation venues under construction east of Carmichael Residence Hall. The deck also improves accessible egress from the new BeAM (maker space) and Carmichael lobby as well as much needed outdoor gathering space for the 450 student residents by developing the steeply sloped area that is currently unusable. The project budget is \$849,660 and will be funded by housing receipts.

The project was advertised on December 6, 2017. Seven (7) proposals were received. Three (3) firms were interviewed on January 16, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. FWA Group Charlotte, NC
2. Huffman Architects Raleigh, NC
3. RND Architects Durham, NC

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

(ATTACHMENT F)

5. Wet Lab Incubator Space

The project is for the design of a wet-lab incubation facility for the Office of the Vice Chancellor for Innovation, Entrepreneurship and Economic Development to be used by biotechnology industry start-ups associated with the University. The project site is located in leased space in a multi-tenant office building in downtown Chapel Hill. Total gross square footage is approximately 12,000 square feet and encompasses an entire floor of the building. The space will include a mix of private labs and open lab benches, private offices and co-working desks, conference facilities, and common spaces such as kitchen/break room, copy/print, storage, IT, etc. The laboratory space will be suitable for BSL-2 work. UNC will receive the leased space in shell condition and the building owner is responsible for ensuring the availability of any required engineering infrastructure

needed for this combination of office and laboratory use. The project budget is \$3,900,000 and will be funded by University funds.

The project was advertised on December 12, 2017. Fifteen (15) proposals were received. Four (4) firms were interviewed on January 16, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. Gaudreau, Inc. Baltimore, MD
2. Integrated Design, Inc. Raleigh, NC
3. Gensler Raleigh, NC

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

(ATTACHMENT G)

#### 6. Morehead Chemistry Ventilation Improvements

The project will improve the Morehead Chemistry Laboratories. The building has original (1983) HVAC equipment that has aged and requires replacement. Additionally, the design of the original equipment is not able to provide the level of temperature and humidity control required by current UNC lab standards. The focus of the proposed project is on partial replacement of the (8) lab exhaust fans on the roof, (4) make-up air fans, and the controls and accessories to this equipment which serves the chemistry teaching labs. The project budget is \$845,000 and will be funded by R&R funds.

The project was advertised on November 22, 2017. Eight (8) proposals were received. Four (4) firms were interviewed on January 11, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. Engineered Designs, Inc. Cary, NC
2. McKim & Creed Raleigh, NC
3. Clark Nexsen Raleigh, NC

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

(ATTACHMENT H)

#### 7. Cogen Plant Dry Sorbent Injection System

The University of North Carolina at Chapel Hill operates two (2) 250,000 pounds per hour Circulating Fluidized Bed boilers permitted to burn coal, biomass, natural gas and number 2 oil. The primary fuel is Eastern Bituminous Coal. Limestone is added in the combustion chamber of each boiler to control SOx emissions, and baghouses collect particulate downstream of the boilers. Due to new permit requirements that take effect in May 2019, the University desires to install a dry sorbent injection system to control HCl gas in the boiler exhaust. The project will utilize the design build method of delivery as defined in NCGS 143-128.1A. The project budget is \$5,000,000 and will be funded by the Utility Infrastructure Fee Trust Fund.

The project was advertised on November 21, 2017. Three (3) proposals were received. All three (3) firms were interviewed on January 9, 2018. Members of the Board of Trustees did not participate in the interviews. The committee recommended the selection of the three firms in the following priority order:

1. Mid-Atlantic Infrastructure Systems Winston-Salem, NC
2. Muter Construction Zebulon, NC
3. AECOM Princeton, NJ

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

(ATTACHMENT I)

### Site Approval

#### 1. UNC Hospitals Emergency Power Generation Plant and South Campus Parking Lot

The UNC Hospital has a project to consolidate individual emergency generators servicing the hospital campus into a new plant sited on the existing S-1 surface parking lot. UNC-CH Transportation and Parking has a project to construct a 450 space parking deck that replaces 250 spaces lost to development of Surgical Towers and the Generation plant.

The project budget for the Generator Plant is \$50,000,000 and will be funded by the Hospital. The project budget for the Parking Deck is \$14,445,000 and will be funded from the Transportation and Parking Trust.

(ATTACHMENT J)

A motion came from committee to approve the designers in priority order and the site for UNC Hospitals. Trustee 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 (ATTACHMENT K)
- Internal Audit Report given by Phyllis Petree, Chief Audit Officer (ATTACHMENT L)
- Year-end financial summary and CAFR review given by Dwayne Pinkney, Senior Associate Vice Chancellor for Finance and Operations
- Development report given by David Routh, Vice Chancellor for University Development
- Semi-annual lease report given by Gordon Merklein, Associate Vice Chancellor for University Real Estate Operations (ATTACHMENT M)
- Semi-annual capital report given by Anna Wu, Associate Vice Chancellor for Facilities Services (ATTACHMENT N)

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 open session. The following items were presented to the committee for information:

- Creativity Hubs update given by Terry Magnuson, Vice Chancellor for Research
- Harmonization of Modernizing Student Support and The New Learning Initiative given by Abigail Panter, Senior Associate Dean for Undergraduate Education and Christi Hurt, Assistant Vice Chancellor for Student Affairs and Chief of Staff

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 no action items for this committee in open session. The following items were presented to the committee for information:

- Faculty update given by Leslie Parise, Chair of the Faculty
- Employee Forum update given by Shayna Hill, Chair
- GPSF update given by Madelyn Percy, President
- Student Affairs update given by Winston Crisp, Vice Chancellor for Student Affairs
- UNC in China given by Bob Blouin, Executive Vice Chancellor and Provost and Stephen Eckel, Associate Dean for Global Engagement and Clinical Associate Professor in the Eshelman School of Pharmacy

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 Keyes, and seconded by Trustee Grumbles, 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), and (6).

#### **RECONVENE MEETING IN OPEN SESSION**

Vice Chair Duckett made a motion to return to open session. It was duly seconded and passed.

#### **OPEN SESSION**

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

Vice Chair Duckett referred the members to the personnel matters submitted for review. Vice Chair Duckett made a motion from committee to approve, Trustee Grumbles seconded and it passed. Vice Chair Duckett stated that the personnel and salary actions voted on in open session had been distributed.

(ATTACHMENT O)

**ADJOURNMENT**

There being no further business to come before the Board, Vice Chair Duckett called for a motion to adjourn. Secretary Keyes made the motion; Trustee Stevens seconded and it passed. Vice Chair Duckett adjourned the meeting at 1:47 pm.



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Clayton Somers, Assistant Secretary