

**BOARD OF TRUSTEES MEETING**  
**The University of North Carolina at Chapel Hill**  
**November 21, 2019**

The Board of Trustees met in regular session on Thursday, November 21, 2019 at The Carolina Inn, Chancellor's Ballroom. Chair Stevens convened the meeting at 8:33 a.m.

**ROLL CALL**

Trustee Artis Neal called the roll and the following members were present:

Teresa Artis Neal, Secretary	Ashton B. Martin
David L. Boliek, Jr.	Allie Ray McCullen
Jefferson W. Brown	Ralph W. Meekins, Sr.
Haywood D. Cochrane, Jr.	John P. Preyer
R. Gene Davis, Jr., Vice Chair	Richard Y. Stevens, Chair
Charles G. Duckett	Dwight D. Stone
Kelly Matthews Hopkins	

Trustee Artis Neal indicated that there was a quorum.

**STATE GOVERNMENT ETHICS ACT**

Chair Stevens 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.

Chairman Stevens and Trustee Brown both indicated a potential conflict of interest for the designer selections and grant of easement items being brought to the board by the Finance, Infrastructure, and Audit Committee.

**CONSENT AGENDA**

**Approval of Minutes**

On motion of Chair Stevens and a second by Vice Chair Davis, the minutes of the following meetings were approved as distributed, as well as the other following actions:

- September 25-26, 2019 regular meeting

Ratification of the mail ballots dated:

- October 1<sup>st</sup> – Appointment of George Battle as Vice Chancellor for Institutional Integrity and Risk Management

(ATTACHMENTS A-B)

**CHAIR'S REMARKS**

- Chair Stevens thanked everyone for attending the meeting.
- The Chair acknowledged Trustee Dwight Stone for his service on the Board.
- Chair Stevens called upon Secretary Artis Neal to read a resolution of appreciation.

**RESOLUTION OF APPRECIATION  
FOR  
DWIGHT D. STONE  
November 21, 2019**

**WHEREAS**, Dwight D. Stone is the unmatched example of why this University is known for its compassionate service to all, as an embodiment of collaboration, and as an international leader in higher education; and

**WHEREAS**, the depth and breadth of Mr. Stone's personal dedication, wise counsel, and tireless efforts on behalf of our University and its future have been boundless and exemplary in every respect; and

**WHEREAS**, Mr. Stone was a guiding light while serving as the Chair of the Board of Trustees from July 1, 2015, through June 30, 2017, during a period of significant transition at our beloved University; and

**WHEREAS**, Mr. Stone's ability to see the challenges of today while envisioning a better future have advanced the work of all Board committees on which he has served; and

**WHEREAS**, Mr. Stone's focused attention and wide range of experience were integral to the success of the Master Plan Steering Committee, the Athletic Director Search Committee, and the 2013 Chancellor Search Committee; and

**WHEREAS**, Mr. Stone's honorable exertions on behalf of Carolina's future continue today as he dedicates himself to the work of the current Chancellor Search Committee; and

**WHEREAS**, Mr. Stone's unparalleled commitment to our University and peerless work ethic have manifested themselves in significant and inspiring contributions to the Boards of UNC Chapel Hill Foundation, UNC Chapel Hill Endowment, UNC Management Company, UNC Investment Fund, UNC Real Estate Holdings, and the Educational Foundation; and

**WHEREAS**, Mr. Stone concludes his term early as a Trustee in order to serve all of North Carolina's public higher education as a member of the UNC System Board of Governors; and

**WHEREAS**, when one contemplates how a Carolina graduate may humbly serve humankind, they can do no better than examine Mr. Stone's numerous selfless, unflinching, and dedicated actions that advanced the mission of Carolina;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Trustees of the University of North Carolina at Chapel Hill offers its sincerest thanks to Trustee Dwight D. Stone and expresses its profound gratitude and deepest appreciation for his vision, leadership, and devoted service to this Board, the University, and the state of North Carolina.

Vice Chair Davis made a motion to adopt the resolution. Trustee Boliek seconded, and it passed.

Chair Stevens then asked Secretary Artis Neal to read the honorary trustee resolution.

**RESOLUTION  
BOARD OF TRUSTEES  
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL  
November 21, 2019**

**WHEREAS**, Dwight D. Stone has served the people of North Carolina and the University of North Carolina at Chapel Hill faithfully and wisely as a Trustee of the University; and

**WHEREAS**, Mr. Stone has ended his service as Trustee;

**NOW, THEREFORE, BE IT ENACTED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL THAT**

1. Mr. Stone is elected Honorary Trustee of the University of North Carolina at Chapel Hill.
2. Those elected to the position of Honorary Trustee of the University of North Carolina at Chapel Hill shall be invited to attend all regular meetings of the Board.
3. Those elected to the position of Honorary Trustee of the University of North Carolina at Chapel Hill shall become members ex-officio of the Board of Visitors.
4. An Honorary Trustee shall cease to hold that position if he or she again becomes a Trustee.

Vice Chair Davis called for a motion to adopt the resolution. Trustee Boliek seconded, and it passed.

- The Chair then remarked on the recent naming of the Hussman School of Journalism and Media.
- Chair Stevens shared the recipients of the 2019 Davie Award: H. Kel Landis, James Arthur Pope, and Teresa Holland Williams.
- Chairman Stevens then thanked Interim Chancellor Guskiewicz and his team on their leadership and congratulated them on the successful Tar Heel Bus Tour.
- Chairman Stevens provided an update on the Chancellor Search Committee.
- The Chair concluded his remarks by calling upon Trustee Martin.

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

**STUDENT BODY PRESIDENT'S REMARKS**

- Trustee Martin shared remarks on her administration and their work so far this school year.

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

**CHANCELLOR'S REMARKS**

- Interim Chancellor Guskiewicz began his remarks by thanking Trustee Stone for his

service.

- Interim Chancellor Guskiewicz shared highlights and campus updates since the last meeting including the Tar Heel Bus Tour, campus safety, and the new strategic plan.
- Interim Chancellor Guskiewicz concluded by introducing the presentation.

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

### **PREDICTING AUTISM FROM INFANT BRAIN SCANS**

Interim Chancellor Guskiewicz introduced Dr. Joseph Piven. Dr. Piven is Thomas E. Castelloe Distinguished Professor of Psychiatry, Pediatrics and Psychology and Director of the Carolina Institute for Developmental Disabilities. Dr. Piven shared his research on autism and how it is changing clinical practice. Dr. Piven also brought Dr. Jessica Girault to share some of her research interests as a recent post-doc.

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**

Vice Chair Davis presented a review of the External Relations Committee meeting. There no items for action in open session. Vice Chair Davis then shared the items presented for information:

- Communications update given by Joel Curran, Vice Chancellor for Communications
- Public Affairs update given by Clayton Somers, Vice Chancellor for Public Affairs and Secretary of the University, Amy Auth, Director of State Affairs, and Kelly Dockham, Director of Federal Affairs

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

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

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

Chairman Stevens recused himself and asked Vice Chair Davis to present the designer selection items for action:

#### **Designer Selection**

##### **1. Carmichael Arena – Women’s Basketball Phase II**

The project will renovate spaces for the Women’s Basketball program across 7,000 square feet at Carmichael Arena. The scope includes reconfiguration of office spaces and break room, new lockers, lighting, and A/V and will result in a more effective layout and upgraded finishes.

The project budget is \$750,000 and is being funded by Athletic department reserves. The project was advertised on October 7, 2019. Four (4) proposals were received. Three (3) firms were interviewed on October 31, 2019. 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. | Gensler | Raleigh, NC     |
| 2. | HKS     | Richmond, VA    |
| 3. | CRA     | Chapel Hill, NC |

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

(ATTACHMENT C)

A motion came from committee to approve the designers in priority order. Trustee Preyer seconded, and it passed. Trustee Brown also recused himself from this vote due to a potential conflict of interest.

##### **2. Central Alarm Network**

Replacement of UNC’s Central Alarm Communicator System for University fire alarms with a radio-mesh network system, including new transceivers from each building to new receiving stations at UNC Public Safety Building and EHS Building Emergency Operations Center. This replacement is required as the existing system utilizes AT&T copper telephone lines which AT&T has announced they will stop maintaining as early as 2020. A study has been completed that supports this new technology.

The project budget is \$500,000 for the design phase and will be funded from Repair & Renovations funds. The project was advertised on October 7, 2019. Four (4) proposals

were received. Three (3) firms were interviewed on November 7, 2019. 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. GHD Engineering Charlotte, NC
2. Dewberry Raleigh, NC
3. NV5 Morrisville, NC

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

(ATTACHMENT D)

A motion came from committee to approve the designers in priority order. Trustee Preyer seconded, and it passed. Chair Stevens was recused from this vote.

3. Kenan Labs Electrical Improvements

Kenan Laboratories' original three utility transformers and service entrance busways and service equipment are deteriorating and require replacement and relocation. At a minimum, Phase 1 construction will include a single 480/280 volt service transformer with service duct bank, new main service disconnect or equipment and step-down transformer to refeed or replace existing main service equipment, as funding allows. Phase 2 construction will complete replacement of the existing main service equipment and aged distribution equipment with reconnection to existing feeders, including both conduit and busway. Design for both phases will be completed in Phase 1.

The project budget is \$750,000 and will be funded from Repair & Renovations funds. The project was advertised on October 10, 2019. Eleven (11) proposals were received. Four (4) firms were interviewed on November 12, 2019. 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. Dewberry Raleigh, NC
2. RMF Raleigh, NC
3. Affiliated Engineers Inc (AEI) Chapel Hill, NC

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

(ATTACHMENT E)

A motion came from committee to approve the designers in priority order. Trustee Preyer seconded, and it passed. Chair Stevens was recused from this vote.

4. Mitchell-Dey Electrical Improvements

This project will require removal of the old obsolete switchgear and distribution and replace with new electrical switchgear and distribution system. Currently the majority of distribution panels are full, with limited capacity and space. In Dey Hall, the service replacement will be coordinated with new service transformer installation and new secondary service duct bank replacement of bus duct. Existing motor control centers will be removed and replaced with variable frequency drives serving their respective equipment.

The project budget \$700,000 and will be funded from Repair & Renovations funds. The project was advertised on October 10, 2019. Eleven (11) proposals were received. Four (4) firms were interviewed on November 14, 2019. 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. McKim & Creed Raleigh, NC
2. NV5 Morrisville, NC
3. RMF Raleigh, NC

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

(ATTACHMENT F)

A motion came from committee to approve the designers in priority order. Trustee Preyer seconded, and it passed. Chair Stevens was recused from this vote.

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

Vice Chair Davis then turned it back over to Chair Stevens. Trustee Cochrane then presented the following items for one approval (project authorizations, annual endowment fund report, and tuition and fees proposal):

## **Project Authorization**

### **1. Spending Authority – Fetzer Hall Basket Room Renovations**

Repurpose portion of former 'basket room' into offices for faculty and graduate students, a conference room, and laboratory space to support research in Department of Exercise and Sport Science. Project scope also includes associated HVAC and electrical upgrades and ADA improvements. Total area to be renovated is 5,000 GSF.

The project budget is \$549,423 and will be funded from College of Arts and Sciences department reserves.

(ATTACHMENT G)

### **2. Spending Authority – Peabody Hall Lobby Renovations**

This project will renovate the main entry lobby, including creating a large glazed opening at the back wall of the space that opens to a small exterior court. Additional scope includes new wall and ceiling finishes, new lighting, and rerouted HVAC and sprinkler runs. Total area to be renovated is 2,200 GSF.

The project budget is \$551,143 and will be funded from School of Education reserves.

(ATTACHMENT H)

### **3. Spending Authority – Craige Residence Hall Renovation of Ground Floor Student Lounge**

UNC Housing is renovating the ground floor Student Lounge into an Esports Student Gaming Lounge. This will include a new HVAC system, Electrical upgrades, toilet room and A/V for gaming. The space being renovated is approx. 1,865 SF.

The project budget is \$547,800 and will be funded from Housing Trust Funds.

(ATTACHMENT I)

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

## **Delegated Spending Authority for Capital Projects**

Pursuant to G.S. 143C-9-2, the Board of Governors have the authority to approve certain expenditures for capital improvement projects that will be funded and operated entirely from non-General Fund money, including expenditure to plan, construct and change the scope of such projects. At the May 2019 meeting, the Board of Governors delegated to the president and boards of trustees the power to approve capital improvement projects that are projected to cost less than \$750,000.

In 1988, the UNC CH Board of Trustees delegated to the University administration authority for selection of architects and engineers for capital improvement projects with a total project cost of less than \$500,000. The University also has authority to award construction for all capital improvement projects with a total project cost of less than \$500,000.

In order to allow more timely execution of projects with a total project cost of less than \$500,000, it is requested that the Board of Trustees delegate to the Chancellor authority to approve the expenditures of non-General Fund money to plan, design, and construct projects where the total project cost is \$500,000 or less.

(ATTACHMENT J)

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

## **Annual Endowment Report**

Jonathan Pruitt, Vice Chancellor for Finance and Operations, presented the Endowment Fund Annual Report.

- UNC Investment Fund recorded a solid increase in its market value.
- \$75.7 million was distributed from the Endowment fund for spending in 2019 (4.4% of the fund's market value at the end of the fiscal year).
- For FY 2020, a 2.0% 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 objective of increasing the rate by CPI each year.

(ATTACHMENT K)

## **Tuition and Fees Proposal**

Mr. Pruitt continued and presented the recommendations from the Tuition and Fee Advisory Task Force for academic year 2020-2021.

(ATTACHMENT L)

Trustee Cochrane called for a motion to approve the following items:

- Project authorizations (4)
- Annual Endowment Fund Report
- Tuition and Fee Proposals

A motion came from committee to approve the actions. Trustee Preyer seconded, and they all passed.

Chair Stevens and Trustee Brown recused themselves from the final vote on the grant of easement due to a potential conflict of interest. Vice Chair Davis presented.

**Property Disposition by Easement to Duke Energy**

This request is for approval to authorize disposition of property by permanent easement for approximately 800 square feet (subject to final survey) of land at University Lake for the limited purpose of allowing Duke Energy to install a transformer, a new power pole and related underground and overhead lines. The land on which the work is proposed is leased to the Orange Water and Sewer Authority (OWASA) until 2056 to allow them to maintain a reservoir that serves Orange County, including the University campus. OWASA is installing a new pump station that will benefit from the enhanced electrical service provided by the aforementioned Duke Energy work. OWASA and Duke Energy will pay for all expenses associated with the design and construction of these electrical improvements and said improvements will be constructed in accordance with design plans approved by UNC, OWASA, and Duke Energy.

(ATTACHMENT M)

A motion came from committee to approve the easement. Vice Chair Davis seconded, and it passed.

Vice Chair Davis then turned it back over to Chair Stevens.

Trustee Cochrane continued and shared the items for information only:

- Development report given by David Routh, Vice Chancellor for University Development
- FY19 Investment Fund Performance Update given by Jon King, CEO of UNC Management Company

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

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

Trustee Duckett presented the report from the University Affairs Committee. There was one action item for this committee in open session.

**Centers and Institutes Update**

Provost Blouin shared for approval a request to discontinue the Center for Developmental Science.

(ATTACHMENT N)

A motion came from committee to approve discontinuation. Trustee Artis Neal seconded, and it passed.

Trustee Duckett then shared the items presented for information:

- Lineberger Comprehensive Cancer Center update, given by Shelley Earp, Director
- Carolina Next: Innovations for Public Good given by Kevin Guskiewicz, Interim Chancellor and Bob Blouin, Executive Vice Chancellor and Provost

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

**MOTION TO CONVENE IN CLOSED SESSION**

On motion of Secretary Artis Neal, and seconded by Vice Chair Davis, 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**

Vice Chair Davis made a motion to return to open session. Trustee Brown seconded, and it passed.

**OPEN SESSION**

**REPORT OF THE UNIVERSITY AFFAIRS COMMITTEE**

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

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

(ATTACHMENTS O-P)

**ADJOURNMENT**

There being no further business to come before the Board, Chair Stevens called for a motion to adjourn. Vice Chair Davis made the motion; Trustee Cochrane seconded, and it passed. Chair Stevens adjourned the meeting at 12:42 pm.



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Clayton Somers, Assistant Secretary