

Minutes are intended to note (a) the date, time and place of the meeting; (b) those members of the public body who were present and those who were absent; and (c) the substance of all matters proposed, discussed and/or action was taken on. Minutes are not intended to be a verbatim report of a meeting. An audiotape recording of the meeting is available for inspection by any member of the public interested in a verbatim report of the meeting. These minutes are not final until approved by the Board of Regents at the December 2015 meeting.

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION
System Administration, Las Vegas
4300 South Maryland Parkway, Board Room
Friday, October 23, 2015

Video Conference Connection from the Meeting Site to:
System Administration, Reno
2601 Enterprise Road, Conference Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present: Mr. Rick Trachok, Chairman
Mr. Michael B. Wixom, Vice Chairman
Dr. Andrea Anderson
Mr. Cedric Crear
Mr. Robert Davidson
Dr. Mark W. Doubrava
Dr. Jason Geddes
Mr. Trevor Hayes
Mr. James Dean Leavitt
Mr. Sam Lieberman
Mr. Kevin C. Melcher
Mr. Kevin J. Page – *via telephone*
Ms. Allison Stephens– *via telephone*

Others Present: Mr. Daniel J. Klaich, Chancellor
Dr. Constance Brooks, Vice Chancellor, Govt. and Community Affairs
Ms. Brooke Nielsen, Vice Chancellor, Legal Affairs
Mr. Vic Redding, Vice Chancellor, Finance and Administration
Dr. Marcia Turner, Vice Chancellor, Health Sciences
Mr. Scott G. Wasserman, Special Advisor to the Board
Mr. Frank R. Woodbeck, Executive Director, Nevada College Collaborative
Mr. R. Scott Young, Acting Chief of Staff
Mr. Chet Burton, President, WNC
Dr. Mark A. Curtis, President, GBC
Dr. Len Jessup, President, UNLV
Dr. Marc A. Johnson, President, UNR
Mr. Bart J. Patterson, President, NSC
Dr. Maria C. Sheehan, President, TMCC

Also present were faculty senate chair Dr. Bryan L. Spangelo, UNLV, and student government leader Mr. Spencer Schultz, SGA President, TMCC.

Chairman Rick Trachok called the meeting to order at 10:32 a.m. with all members present. He requested a moment of silence in recognition of the passing of former Regent Robert Blakely's daughter.

1. Information Only – Public Comment (Agenda Item #1) – Former TMCC president Dr. John Gwaltney spoke in opposition to the potential merging of TMCC and UNR police services.

Mr. Spencer Schultz, SGA President, TMCC, spoke on agenda item #2 (acting president and presidential transition, TMCC) and said he agrees with the Chancellor's recommendation. He also requested the Board use caution as it further explores a possible merger of police services for TMCC and UNR.

Ms. Sharon Wurm, Director, Financial Aid Office, TMCC, reiterated her prior opposition, voiced at the Board's September meeting, to the potential merger of UNR and TMCC police services. She requested the currently assigned TMCC police officers continue to be assigned to TMCC if the proposed merger takes place. She spoke in support of police officer and veteran Lieutenant Dan Johnston and his work at TMCC.

Professor Bob Gutschick, Computer Science Department, CSN, expressed concern over security on the West Charleston campus.

Professor Douglas Unger, English Department, UNLV, spoke in support of the proposed revision of the 2012 UNLV Campus Master Plan and Purchase and Sale Agreement of a 42 acre parcel near Tropicana Avenue and Koval Lane (agenda item #5).

2. Action Taken – Acting President and Presidential Transition, TMCC (Agenda Item #2) – The Board approved the appointment and salary of Dr. Kyle Dalpe, Associate Dean and Chief of Staff, TMCC, as Acting President of TMCC; and to conduct a national search for the TMCC president.

Ms. Brooke Nielsen, Vice Chancellor, Legal Affairs, listed those individuals the NSHE had received waivers from regarding the Open Meeting Law requirements for discussing an individual's character or professional competence and therefore could be further discussed. She also listed those individuals the NSHE had not received waivers from and could not be discussed (*see waivers on file in the Board office*). Board policy provides the Chancellor, in consultation with the Chairman of the Board, shall make a recommendation to the Board of Regents for an acting president of Truckee Meadows Community College for the full Board's approval.

Mr. Daniel J. Klaich, Chancellor, stated the TMCC campus is interested in a prompt, open, public and transparent national search for TMCC's permanent president. He provided background on the TMCC presidential transition to date, including: information on the open campus forum held on September 30, 2015; stakeholder input; and the Chancellor's recommendations going forward (*see Reference BOR-2a on file in the Board office*).

2. Action Taken – Acting President and Presidential Transition, TMCC (Agenda Item #2) – continued

He explained there were several people who had been discussed as potential candidates for the acting presidency. Overwhelmingly one person stood out, and the person was Dr. Dalpe. Chancellor Klaich reviewed Dr. Dalpe's qualifications. He recommended approval of the appointment of Dr. Kyle Dalpe as the Acting President of TMCC and to commence with a national search.

Regent Lieberman moved approval of the appointment of Dr. Kyle Dalpe as the Acting President of TMCC, with the salary as presented in the materials provided and to conduct a national search for the TMCC president. Regent Crear seconded.

Chancellor Klaich clarified the recommendation for the appointment of Dr. Kyle Dalpe as the Acting President of TMCC included the salary as recommended in the agenda reference materials (*see Reference BOR-2a on file in the Board office*).

Chairman Trachok summarized the motion was to appoint Dr. Kyle Dalpe as the Acting President with the salary for the acting president contained in the materials provided and to conduct a national search.

Regent Crear asked if Dr. Dalpe, as the Acting President, could not be considered for the permanent presidency.

Chairman Trachok said that was correct.

Motion carried.

Dr. Dalpe thanked the Board and Chancellor for this opportunity and stated his continuing enthusiasm and support for TMCC. He thanked President Sheehan, his colleagues, the faculty senate and his family for their support.

3. Action Taken – Appointment, Chief of Staff and Special Counsel to the Board of Regents (Agenda Item #3) – The Board approved the ad hoc Board of Regents Chief of Staff Search Committee's recommendation for the appointment of Mr. Dean J. Gould (*see Handout BOR-3a on file in the Board office*) as Chief of Staff and Special Counsel to the Board of Regents. The proposed salary and contract terms were approved as presented (*see Handout BOR-3b on file in the Board office*).

Chairman Trachok stated he would be abstaining from voting on this matter because Mr. Gould reports directly to Chairman Trachok in his capacity as the Chairman of the Board of Bar Examiners. Chairman Trachok turned the chairmanship over to Vice Chairman Wixom and explained Regent Page was the Chairman of the ad hoc Board of Regents Chief of Staff Search Committee and would lead the discussion. Chairman Trachok said he would not advocate for or against this item and has been advised by counsel he is allowed by law to participate in the discussion and may respond to questions.

3. Action Taken – Appointment, Chief of Staff and Special Counsel to the Board of Regents (Agenda Item #3) – continued

Regent Page, Chair of the ad hoc Chief of Staff Search Committee, explained the Committee met on September 18, 2015, and directed the position announcement be advertised immediately. The Committee asked to review seven to ten semifinalists. The Committee reviewed ten semifinalists at its October 9, 2015, meeting and four highly qualified individuals were selected for interviews held on October 16, 2015. The Committee's recommendation for the position of chief of staff and special counsel is Mr. Dean J. Gould. Mr. Gould is currently the Admissions Director for the State Bar of Nevada. He was a Senior Partner with Jackier Gould and is an adjunct professor at the University of Michigan Law School. He has previously been an adjunct professor at the UNLV William S. Boyd School of Law and Wayne State University Law School, teaching classes on ethics in the public sector, including the Nevada Open Meeting Law. In his current position with the State Bar of Nevada Mr. Gould must coordinate with the Supreme Court Justices, the State Bar and the Board of Bar Examiners. He has worked with the Open Meeting Law as it was applicable to appearances representing clients before public bodies (*see Handout BOR-3a on file in the Board office*).

The Board was provided with a proposed standard NSHE professional employee contract for Mr. Gould with the contract terms of an annual base salary of \$150,000 (*see Handout BOR-3a on file in the Board office*).

Regent Page moved approval of the appointment of Mr. Dean J. Gould as Chief of Staff and Special Counsel to the Board of Regents and approval of the contract terms as presented. Regent Lieberman seconded.

Regent Leavitt asked Mr. Wasserman how the proposed contract compares to Mr. Wasserman's current salary and expressed it would be difficult to compare anyone to Mr. Wasserman as he has done such an outstanding job. Regent Leavitt said he participated in the search process and was fully supportive of the recommendation.

Motion carried. Regent Trachok abstained.

Mr. Gould thanked the Board, the Chancellor and staff and said he was honored to accept the position. He said he appreciated Regent Leavitt's remarks. He provided information on his background and expressed his personal interest in higher education. He said he is looking forward to getting to know and working with the Board and the NSHE staff.

Vice Chairman Wixom asked for Mr. Gould's start date.

Mr. Gould responded December 1, 2015.

3. Action Taken – Appointment, Chief of Staff and Special Counsel to the Board of Regents (Agenda Item #3) – continued

Regent Crear advised Mr. Gould the chief of staff position is counsel to the Board of Regents and not the NSHE. The Board will rely on him. He said Mr. Gould is inheriting an exceptional staff at the Board office.

Chancellor Klaich said he appreciated the previous chief of staff's ability to bring increased cohesiveness to the NSHE by working well with the Chancellor and the Chancellor's staff and is looking forward to working with Mr. Gould.

Chairman Trachok welcomed Mr. Gould.

4. Approved – Formation of a DRI Nonprofit Affiliate, DRI-Tennessee (Agenda Item #4) –The Board approved DRI's intent to form an affiliated nonprofit 501(c)(3), DRI-Tennessee, pursuant to Board policy, Title 4, Chapter 10, Section 10. DRI-Tennessee will be incorporated in the state of Tennessee for the purpose of effectively and efficiently executing the contract as well as leading and managing the DOE Office of Science's Oak Ridge Institute for Science and Education located in Oak Ridge, Tennessee (see Reference BOR-4 on file in the Board office).

Regent Lieberman moved approval of DRI's intent to form an affiliated nonprofit 501(c)(3) as presented. Regent Crear seconded.

Dr. Beverly Ramsey, Executive Director, Division of Earth and Ecosystem Sciences, DRI, provided a brief summary of the project and description of the program. Dr. Kimothy Smith, Research Professor Advanced Analytics, DRI, has been selected as the director for this program. Ms. Ellen Oppenheim, Senior Vice President for Finance and Administration and Chief Operations Officer, DRI, has been instrumental in obtaining this opportunity. DRI should hear very soon if it has been awarded the opportunity. If DRI is awarded the contract, DRI will need to hire approximately 600 employees. The contract term is for five years with a total value \$3.1 billion. The contract includes the potential of five additional one-year extensions. This project will provide numerous opportunities for DRI including: national visibility, enhanced future proposal development and public-private partnerships, and increased faculty engagement as well as research and service opportunities for UNR and UNLV.

Regent Stephens left the meeting.

Vice Chairman Wixom thanked Mr. Kenneth G. Ladd, Special Assistant to the President for Innovation Based Economic Development and Interim Director, Nevada Center of Excellence, DRI, for being willing to serve as the president of DRI Tennessee.

Regent Hayes thanked DRI for this bold step. Soon the rest of the world will know what an asset DRI is.

Regent Crear thanked DRI for its work in Nevada, the nation and across the world.

4. Approved – Formation of a DRI Nonprofit Affiliate, DRI-Tennessee (Agenda Item #4) – continued

Regent Geddes asked about the \$300,000 in proposal development funds and what the source of those funds was. Dr. Ramsey said DRI has invested approximately \$300,000 in proposal development funds in preparation of the Department of Energy (DOE), Office of Science, contract selection process. The source of funding for those dollars came out of DRI's internal overhead, such as travel and staff time.

Regent Lieberman thanked DRI and said the plan is an excellent one and has been well executed.

Regent Davidson said he talked to Dr. Stephen G. Wells, President, DRI, about this proposal and feels it is a very beneficial opportunity. He thanked the DRI staff for their efforts.

Regent Leavitt asked if DRI is the only one bidding on this project. Dr. Ramsey explained the incumbent also made it through the initial process and, at this time, is the only other entity competing for the project that DRI is aware of. Many institutions did not feel the incumbent could be replaced. It is a complicated contract and many think it will never change hands. The incumbent has held the contract since 1946.

Regent Page thanked DRI for its work on this project and Mr. Ladd for taking on the presidency of the non-profit organization. He asked what the process is for reporting back to the Board.

Ms. Oppenheim explained Board policy includes specified reporting requirements with annual audited financial statements and other reporting information as needed.

Mr. Ladd said the nonprofit will be accountable to the Board and the DOE. All required governance in the form of accounting, reporting, legal, human resources and operations will be addressed. Leaders from Knoxville, Tennessee, will also be invited to participate as members of the non-profit Board.

Regent Crear asked if the Board of Regents will be a pseudo member of the non-profit Board and if reporting would take place annually, similar to the foundations.

Vice Chancellor Nielsen explained this situation is a little different than the institutional foundations. Board policy makes the institution president responsible for any 501(c)(3) organization. The NSHE institutions currently have a number of different 501(c)(3) organizations, such as athletics and research foundations.

Chairman Trachok asked if this would be similar to the NSHE's University Studies Abroad Consortium (USAC) created in September 2014. Vice Chancellor Nielsen responded yes.

Motion carried. Regent Stephens was absent

Chairman Trachok thanked all who are working on this project.

5. Information Only – Campus Master Plan Revision and Purchase and Sale Agreement of 42 Acre Parcel Near Tropicana Avenue and Koval Lane, UNLV (Agenda Item #5) – President Len Jessup, University of Nevada, Las Vegas (UNLV), provided an update involving activities associated with the revision of the 2012 UNLV Campus Master Plan and the UNLV Foundation's Purchase and Sale Agreement for the 42 acre parcel near Tropicana Avenue and Koval Lane (*see Reference BOR-5 on file in the Board office*).

Vice Chairman Wixom disclosed he represents Wells Fargo Bank in a number of matters and therefore under Board policy and rules he will not advocate for or against this item; however, he has been advised by legal counsel he can ask questions and participate in the discussion on a limited basis.

Regent Page disclosed he works for a company owned by Wells Fargo, Wells Capital Management, and the same disclosure applies to him.

President Jessup provided a presentation, summary and update on the project. He explained this is a once-in-a-lifetime opportunity and a vital long term investment strategy. There are similarities to UNR's master planning effort. Most of the due diligence items have been completed. The key components to the project are: evaluate a unique opportunity to acquire 42 acres close to the UNLV campus with the potential for a direct connection, for the long term strategic needs of UNLV; limited update to the Board approved 2012 UNLV Campus Master Plan focused on the west portion of the existing UNLV campus and potential addition of up to 80 acres of land; includes a 42 acre development site and 38 acres of Clark County land; proximity and connectivity to the Las Vegas Strip, UNLV campus and transit/transportation; and two miles of enhanced UNLV and Clark County frontage. The first step is to acquire the property and the second step is to develop the property. Phase 1 is a short-term development plan for generating near-term revenues. Phase 2 is the long-term development plan. There are two proposals for the long-term development plan: a campus village option and a stadium option.

Mr. David Frommer, Executive Director of Planning and Construction, UNLV, thanked the Board for its time and referenced the map providing clarification and additional details (*see page 6 of Reference BOR-5 on file in the Board office*).

President Jessup said there have been several meetings and open forums to obtain feedback from students, faculty, alumni, the community and other stakeholders. There has been broad support for this project. Student fees would also be used for servicing the debt for the purchase of the property. The acquisition of property is a natural use of student fees.

Mr. Chris Viton, Controller, UNLV, provided information on financing and debt service for the project. He reviewed the financing schedule to meet Wells Fargo's December 18 purchase deadline (*see page 23 of Reference BOR-5 on file in the Board office*).

Regent Crear asked about the request for proposal (RFP).

5. Information Only – Campus Master Plan Revision and Purchase and Sale Agreement of 42 acre parcel near Tropicana Avenue and Koval Lane, UNLV (Agenda Item #5) – continued

Mr. Viton explained the RFP process would take place between now and the December 2015 Board meeting.

Regent Davidson asked if the \$3.368 million debt service was taxable and what the amount of the debt would be.

Mr. John Peterson, JNA Consulting Group, the System's financial advisor for capital projects, explained the \$3.368 million would cover an interest rate on the taxable side of almost 5.25 percent. The interest rate estimates are conservative. The amount of the debt would be just over \$50 million.

Vice Chairman Wixom asked for more clarification on the following: the sliding scale needs more definition; word "accommodate" is too vague; need more specifics on bank financing; need analysis on both the bond and the bank financing; and is the \$3.368 million for bank or bond financing. Mr. Peterson said the \$3.368 million is the revenue number from UNLV. The estimate for debt service ranges between \$3.1 million fully taxable to \$3.3 million fully taxable with additional financing options. \$3.1 million and \$3.3 million is bond financing. The bank financing is an interim note for a term of approximately six to nine months. Mr. Peterson said he would be providing an analysis of the bank financing.

Vice Chairman Wixom asked about the project phasing. President Jessup said Phase 1 is securing the property and putting some financing together which would enable UNLV to have short term use of the land to service the debt while doing its due diligence and deciding on the long-term use of the property.

Vice Chairman Wixom asked about Federal Aviation Administration (FAA) approvals and if UNLV expects to have all of the FAA questions resolved prior to the December Board meeting. This is critical in order to have enough information. The flight path could affect the stadium proposal and financing options become much more limited with a domed stadium. Mr. Frommer said the agreements would be formally drafted prior to the December Board meeting and explained UNLV had been working with the FAA, the airport and the pilots' association. Vice Chairman Wixom asked if those materials would be provided to the Board prior to the December meeting. Mr. Frommer said hopefully the materials would be made available prior to the meeting. Vice Chairman Wixom said these materials are crucial to the Board's deliberations.

Regent Hayes asked about total bonding capacity for the System and requested Mr. Vic Redding, Vice Chancellor, Finance and Administration, bring an analysis on bonding capacity forward to the Board in December. Regent Hayes asked about billboards and financing options in regard to the possibility of an extension to March to alleviate the need for an interim bank loan. President Jessup said the information included very conservative estimates on billboards. Mr. Viton said the details of an extension and what would be required in order to collapse the financing into one transaction instead of two are being contemplated.

5. Information Only – Campus Master Plan Revision and Purchase and Sale Agreement of 42 acre parcel near Tropicana Avenue and Koval Lane, UNLV (Agenda Item #5) – continued

Regent Hayes said in general this is a good opportunity for UNLV. He asked if Clark County is willing work with UNLV in regard to the 38 acres and if an MOU has been drafted. Mr. Frommer said UNLV is working to get an updated MOU drafted and in place.

Regent Crear asked if both parcels are under Clark County jurisdiction and if any of the billboards are with Connell Outdoor Advertising Company. Mr. Frommer said both the 38 acre and the 42 acre parcels are within Clark County jurisdiction. The billboard on Paradise may be with Connell Outdoor Advertising Company.

Regent Crear said he may need to abstain from this item and disclosed he partners with Clark County and has an agreement with Connell Outdoor Advertising Company in regard to billboards. Vice Chancellor Nielsen said Regent Crear's disclosure may be sufficient and she needs more information prior to determining if an abstention should be made by Regent Crear.

Regent Lieberman said he is supportive of pursuing this project and development such as this has been discussed for a number of years. The village development concept is a good way to support the long term growth of the campus.

Regent Doubrava said he was excited about this once-in-a-lifetime opportunity and it should be pursued. He asked if the use of the runways and wind patterns have been considered and said FAA approval is crucial.

Regent Leavitt thanked UNLV for pursuing this opportunity.

Chairman Trachok asked for Mr. Yackira's input.

Mr. Michael Yackira, UNLV Foundation President, said he would be asking UNLV how this land fits when compared to all of UNLV's other capital needs, such as the medical school, the hotel school and the top tier initiative. The proposed development is very important; however, funds must be raised to accomplish this and UNLV needs to explain what the other funding needs are; how funding is going to be achieved; and possibly a brief review of what the capital campaign might look like in cash flows. The vision and priorities need to be determined with a plan to ensure their achievement.

Regent Lieberman said the UNLV Foundation and UNLV will need to work hand-in-hand.

Regent Melcher said there had been some concerns expressed about the retail planned on the 42 acres and if it is appropriate to increase involvement in the retail industry since academics is the priority. Mr. Frommer said the retail would play a support role.

5. Information Only – Campus Master Plan Revision and Purchase and Sale Agreement of 42 acre parcel near Tropicana Avenue and Koval Lane, UNLV (Agenda Item #5) – continued

Regent Geddes mentioned the Midtown UNLV Plan and asked if UNLV now envisions retail going in both directions. He asked for more information on this by the December Board meeting. Mr. Frommer said UNLV does not see these projects as being competitive, rather they are complimentary.

President Jessup said he was taking notes and will bring the various pieces of information the Board members have requested back to the Board at its December meeting.

6. Approved – Lease Agreement with U.S. Government for Environmental Protection Agency at UNLV Maryland Campus, UNLV (Agenda Item #6) – The Board approved a Lease Agreement for UNLV with the U.S. Government for the Environmental Protection Agency (EPA) at the UNLV Maryland campus.

President Jessup explained the plan is to ultimately have the EPA move off the UNLV campus and it has taken the EPA longer than expected to relocate. It is appropriate to shift the lease from its current form to a longer term lease.

Regent Stephens returned to the meeting.

Mr. Mike Lawrence, Executive Director for Administration, UNLV, provided information on the terms of the proposed lease. Since 1962, an EPA research and development laboratory has been located on the UNLV Maryland campus and in 1966 four buildings representing eight acres and 72,778 rentable square feet were constructed and have been occupied by the EPA under the terms of several lease agreements. The proposed lease is a five year lease with the U.S. Government for the EPA to continue to occupy office and lab space on the UNLV Maryland campus. Total lease term length will be five years and be in effect, retroactively, from October 1, 2015, through September 30, 2020 (*see Reference BOR-6 on file in the Board office*).

Regent Leavitt moved approval of a Lease Agreement for UNLV with the U.S. Government for the Environmental Protection Agency at the UNLV Maryland campus as presented. Regent Anderson seconded. Motion carried.

7. Approved – University Gateway Project Amended and Restated Lease Agreement, UNLV (Agenda Item #7) – The Board approved the UNLV University Gateway Project Amended and Restated Lease Agreement as presented (*see Reference BOR-7 on file in the Board office*).

President Jessup explained the proposed changes are minor changes to the lease. At its December 2014 meeting, the Board approved the “Implementing Agreements” for the University Gateway Project, which included a Lease Agreement for a parking structure and police services space. At its June 2015 meeting, the Board approved two revisions to

7. Approved – University Gateway Project Amended and Restated Lease Agreement, UNLV (Agenda Item #7) – continued

the Implementing Agreements making technical corrections intended to assist the developer in obtaining financing for the project. After further review, additional revisions are necessary to the Lease and Purchase and Sale Agreement in order to make clarifications and to assist the developer in obtaining financing for the project. The permits for the Gateway project are finalized and the project is ready to move forward, pending clarification of these issues.

Mr. Viton said the changes include technical and administrative clarifications to the document to facilitate the developer financing. The substantive change is an extension of the delivery date to May 2017. The supporting materials include a detailed itemization of every change (see Reference BOR-7 on file in the Board office).

Regent Doubrava moved approval of the UNLV University Gateway Project Amended and Restated Lease Agreement as presented. Regent Lieberman seconded.

Regent Page asked who UNLV was using for financing.

Mr. Frank Marretti, owner of the project, New Town MD, LLC, said the project is being financed through Bank of Nevada and Nevada State Bank. Wells Fargo is not a lender; however, Wells Fargo is a potential tenant.

Regent Page said because Wells Fargo is a potential tenant he would be abstaining.

Motion carried. Regent Page abstained.

8. Information Only- New Business (Agenda Item #8) – There was no new business.
9. Information Only- Public Comment (Agenda Item #9) – There was no public comment.

The meeting adjourned at 12:29 p.m.

Prepared by: Patricia Rogers
Special Assistant and Coordinator to the Board of Regents

Submitted for approval by: R. Scott Young
Acting Chief of Staff to the Board of Regents