



UNIVERSITY OF CENTRAL FLORIDA

University of Central Florida
Board of Trustees Special Meeting
October 5, 2018
9:15 a.m.

(or at the conclusion of the Finance and Facilities Committee Meeting)

President's Boardroom, Millican Hall, 3rd floor
Conference call in phone number 800-442-5794, passcode 463796

AGENDA

- | | |
|------------------------------|--|
| 1. Welcome and call to order | Marcos Marchena, Chairman |
| 2. Roll call | Grant J. Heston, Assistant Corporate Secretary |
| 3. Public comment | Grant J. Heston |
| 4. New Business | Chairman Marchena |
| INFO – 1 Information | UCF Downtown Project Overview
(Trustee Alex Martins, <i>Chair, Finance and Facilities Committee</i>) |
| 5. Consent Agenda | |
| FF – 1 Approval | Dr. Phillips Academic Commons at UCF Downtown
(Thad Seymour, <i>Vice President for Partnerships and Chief Innovation Officer</i> and Misty Shepherd, <i>Interim Vice President for Administration and Finance</i>) |
| FF – 2 Approval | Center for Emerging Media Renovation at UCF
Downtown (Seymour and Shepherd) |
| FF – 3 Approval | Parking Garage at UCF Downtown (Seymour and
Shepherd) |
| FF – 4 Approval | Infrastructure at UCF Downtown (Seymour and
Shepherd) |

6. Other new business

Chairman Marchena

7. Adjournment

Chairman Marchena

ITEM: INFO-1

**University of Central Florida
Board of Trustees**

SUBJECT: UCF Downtown Project Overview

DATE: October 5, 2018

PROPOSED COMMITTEE ACTION

For information only.

BACKGROUND INFORMATION

Out of an abundance of transparency, the university is requesting individual approval for capital projects exceeding two million dollars that began prior to October 26, 2017. In addition, written certification of the source and appropriateness of funds is being provided for each project.

Prior to October 26, 2017, capital improvement projects were submitted to the Board for review and approval annually through the Five-year Capital Improvement Plan and the Capital Outlay Budget.

A complete list of the capital projects exceeding two million dollars for the UCF Downtown campus is attached. Two projects have already been individually approved by the Board and are noted accordingly. The signed documents certifying the source and appropriateness of funds for the previously approved projects are attached.

Supporting documentation: Attachment A: UCF Downtown Project Overview
Attachment B: Certification of Funds – Central Energy Plant
Attachment C: Certification of Funds – Student Services

Prepared by: Mike Kilbride, Assistant Vice President, UCF Downtown

Submitted by: Thad Seymour, Vice President for Partnerships and Chief Innovation Officer
Misty Shepherd, Interim Vice President for Administration and Finance
Kathy Mitchell, Interim Chief Financial Officer

Attachment A

UCF Downtown Project Overview

The UCF Downtown campus plan includes **five** capital projects exceeding \$2 million that have previously been reviewed or approved by the Board of Trustees.

1. Dr. Phillips Academic Commons
Included on Capital Improvement List and Capital Outlay Budget
2. Center for Emerging Media Renovation
Included on Capital Improvement List
3. Parking Garage with Campus Store, University Services, and Operations
Included on Capital Improvement List and Capital Outlay Budget
4. **Central Energy Plant (Individually Approved)**
The transition from a Tri-Generation Energy Plant to a Central Energy Plant was ***individually approved*** with a budget of \$12.3 million by the Finance and Facilities Committee on December 13, 2017 and by the Board of Trustees on January 18, 2018.
5. **Buildout of Student Services Space in Private Housing Building (Individually Approved)**
The lease of approximately 48,000 square feet was ***individually approved*** with a budget of \$5.3 million for buildout by the Finance and Facilities Committee on September 26, 2017 and by the Board of Trustees on September 27, 2017.

In addition, the UCF Downtown campus plan includes one additional capital project that exceeds \$2 million that was not reviewed or approved by the Board of Trustees.

1. UCF Downtown Campus Infrastructure

Prior to October 26, 2017, capital improvement projects were submitted to the Board for review and approval annually through the 5 Year Fixed Capital Improvement Plan and the Capital Outlay Budget.

On October 26, 2017, the Board of Trustees adopted the Delegation of Authority to the University President. The policy requires specific approval by the Board for the use of University funds for capital improvement projects exceeding two million dollars in construction costs and all changes to such projects that increase project costs by more than 10 percent of the original estimate.

Out of an abundance of transparency, the University is requesting individual project approval for each project included on the UCF Downtown campus plan.

The ***action items submitted for approval include the current estimate of the project's total cost*** which includes realized and estimated escalation associated with construction, furniture, fixtures, and equipment.

The documents certifying the type and appropriateness of funds for the two projects that have already been individually approved are provided with this summary.



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Central Energy Plant at UCF Downtown

Funding source(s): Auxiliary revenues that are not for student services or debt service

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Dale Whittier
President

10.4.18
Date

Misty Shepherd
Vice President

10/2/18
Date

Kathryn Mitchell
Chief Financial Officer

10/2/18
Date

A. Scott Cox
General Counsel

10/2/18
Date

Attachment C



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Buildout of Student Services Space in Private Housing Building at UCF Downtown

Funding source(s): Auxiliary revenues that are not for student services or debt service

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Dale Whittaker
President

10.4.18
Date

Misty Shepherd
Vice President

10/2/18
Date

Kathryn Mitchell
Chief Financial Officer

10/2/18
Date

W. Scott Cole
General Counsel

10/2/18
Date

ITEM: FF-1

**University of Central Florida
Board of Trustees**

SUBJECT: Dr. Phillips Academic Commons at UCF Downtown

DATE: October 5, 2018

PROPOSED BOARD ACTION

Approve \$66.38 million toward the design, construction, and furnishing of the 148,000-square-foot Dr. Phillips Academic Commons at UCF Downtown.

BACKGROUND INFORMATION

Out of an abundance of transparency, the university is requesting individual approval for capital projects exceeding two million dollars that began prior to October 26, 2017. In addition, written certification of the source and appropriateness of funds is being provided for each project.

Prior to October 26, 2017, capital improvement projects were submitted to the Board for review and approval annually through the Five-year Capital Improvement Plan and the Capital Outlay Budget.

According to the Delegation of Authority to the President, which was passed by the Board on October 26, 2017, use of university funds for capital improvement projects exceeding two million dollars in construction costs and all changes to such projects that increase project costs by more than 10 percent of the original estimate require specific approval of the Board.

A detailed timeline of Board interactions and milestones associated with this individual project is included as Attachment A.

Supporting documentation: Attachment A: Detailed Timeline
Attachment B: Certification of Funds

Prepared by: Mike Kilbride, Assistant Vice President, UCF Downtown

Submitted by: Thad Seymour, Vice President for Partnerships and Chief Innovation Officer
Misty Shepherd, Interim Vice President, Administration and Finance
Kathy Mitchell, Interim Chief Financial Officer

Attachment A

Detailed Timeline

UCF Downtown Campus Academic Building

Dr. Phillips Academic Commons

September 24, 2015: The Board approved updates to the Proposal to Establish a Type I Campus. The plan focused on relocating strategic and community-facing programs, creating a vibrant student experience, and maximizing enrollment and synergies between academic programs. The plan committed to an enrollment of more than 7,000 UCF and Valencia students on a full-service campus. ***The plan was anchored by a new \$60 million academic building*** that would be funded by \$20 million from the state, \$20 million from University auxiliary contributions, and \$20 million from community support.

January 7, 2016: The Board approved a memorandum of understanding between the University and Governor Rick Scott that documented UCF's commitment to conditions necessary for the Governor to consider supporting the \$20 million in state funds required for the project.

January 28, 2016: The Board approved revisions to the 5 Year Capital Improvement Plan. The plan included the UCF Downtown Campus Academic Building as a \$60 million project.

March 2, 2016: The Board of Governors approved the University's Proposal to Establish a Type I Campus in downtown Orlando. ***The plan was anchored by a new \$60 million academic building.***

May 31, 2016: The Board approved the 2016-17 capital outlay budget that included the UCF Downtown Campus Academic Building as a \$60 million project.

August 25, 2016: The University announced the team was selected to design and build the campus and the decision to delay the opening from Fall 2018 to Fall 2019.

March 16, 2017: The Board approved the name of the UCF Downtown Academic Building to be Dr. Phillips Academic Commons in honor of Dr. Phillips and the contribution by Dr. Phillips Charities.

January 18, 2018: The Board approved the change of the UCF Downtown Tri-Generation Plant to the UCF Downtown Central Energy Plant. As a result of the plant not self-generating power and hydronic hot water, changes were required to the Dr. Phillips Academic Commons, including adding boilers, emergency power generation, emergency circuits, and an external equipment yard. Due to the design and construction costs for these changes, the board approved increasing the budget for the Dr. Phillips Academic Commons by \$1.3 million, for a total of \$61.3 million.

Spring 2018: Construction escalation associated with concrete and steel required UCF to allocate the majority of the owner's contingency to the project and allocate our projected sales tax savings through direct owner purchase option to sign the GMP and keep the project on schedule and on budget.

Fall 2018: Additional construction escalation, the inability to realize the projected sales tax savings, escalation associated with network electronics and the need for additional network infrastructure that was not originally planned in the building is now causing the total project cost of the building to increase to \$66.38 million.

October 5, 2018: Out of an abundance of transparency, since this project was not individually voted upon by the Board of Trustees, the University is requesting approval for \$66.38 million to be used toward design, construction and furnishing of the Dr. Phillips Academic Commons. The action item includes the **current estimate of the project's total cost** which includes realized and estimated escalation associated with construction, furniture, fixtures, and equipment. The projected total project cost by category is listed below.

Projected Total Project Cost	
Planning	\$ 4,592,243
Construction	\$ 52,670,000
Furniture, Fixtures and Equipment	\$ 7,920,000
Project Management Services	\$ 1,200,000
Total	\$ 66,382,243

Attachment B



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Dr. Phillips Academic Commons at UCF Downtown

Funding source(s): Auxiliary revenues that are not for student services or debt service

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Dale W. Stullman
President

10.7.18
Date

Misty Shepherd
Vice President

10/2/18
Date

Kathryn Mitchell
Chief Financial Officer

10/2/18
Date

W. Scott Cole
General Counsel

10/12/18
Date

ITEM: FF-2

**University of Central Florida
Board of Trustees**

SUBJECT: Center for Emerging Media Renovation at UCF Downtown

DATE: October 5, 2018

PROPOSED BOARD ACTION

Approve \$5.75 million toward the design, renovation, and furnishing of the Center for Emerging Media at UCF Downtown.

BACKGROUND INFORMATION

Out of an abundance of transparency, the university is requesting individual approval for capital projects exceeding two million dollars that began prior to October 26, 2017. In addition, written certification of the source and appropriateness of funds is being provided for each project.

Prior to October 26, 2017, capital improvement projects were submitted to the Board for review and approval annually through the Five-year Capital Improvement Plan and the Capital Outlay Budget.

According to the Delegation of Authority to the President, which was passed by the Board on October 26, 2017, use of university funds for capital improvement projects exceeding two million dollars in construction costs and all changes to such projects that increase project costs by more than 10 percent of the original estimate require specific approval of the Board.

A detailed timeline of Board interactions and milestones associated with this individual project is included as Attachment A.

Supporting documentation: Attachment A: Detailed Timeline
Attachment B: Certification of Funds

Prepared by: Mike Kilbride, Assistant Vice President, UCF Downtown

Submitted by: Thad Seymour, Vice President for Partnerships and Chief Innovation Officer
Misty Shepherd, Interim Vice President, Administration and Finance
Kathy Mitchell, Interim Chief Financial Officer

Attachment A

Detailed Timeline*Center for Emerging Media Renovation*

September 24, 2015: The Board approved updates to the Proposal to Establish a Type I Campus. The plan focused on relocating strategic and community-facing programs, creating a vibrant student experience, and maximizing enrollment and synergies between academic programs. The plan committed to an enrollment of more than 7,000 UCF and Valencia students on a full-service campus. *The plan included a proposed \$5,000,000 renovation of the Center for Emerging Media.*

January 28, 2016: The Board approved revisions to the 5 Year Capital Improvement Plan. The plan continued to include buildout of the Center for Emerging Media with a figure of \$6,747,048.

March 2, 2016: The Board of Governors approved the University's Proposal to Establish a Type I Campus in downtown Orlando. *The plan included a \$5,000,000 renovation of the Center for Emerging Media.*

August 25, 2016: The University announced the team was selected to design and build the campus, including the renovation of CEM, and the decision to delay the opening from Fall 2018 to Fall 2019.

Fall 2018: The University finalized design for the renovation of the Center for Emerging Media. Based on cost escalation associated with network electronics and the need for additional classroom infrastructure to support digital media programs, the total project cost of the building will increase to \$5.75 million.

October 5, 2018: The University is requesting approval for \$5.75 million to be used toward design, renovation and furnishing of the Center for Emerging Media. The action item references the ***current estimate of the project's total cost*** which includes realized and estimated escalation associated with construction, furniture, fixtures, and equipment. The projected total project cost by category is listed below.

Projected Total Project Cost	
Planning	\$ 476,795
Construction	\$ 3,500,000
Furniture, Fixtures and Equipment	\$ 1,675,000
Project Management Services	\$ 100,000
Total	\$ 5,751,795



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Center for Emerging Media Renovation at UCF Downtown

Funding source(s): Auxiliary revenues that are not for student services or debt service

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Dale Whittecher
President

10.4.18
Date

Misty Shepherd
Vice President

10/2/18
Date

Kathryn Mitchell
Chief Financial Officer

10/2/18
Date

Al Icaro Cole
General Counsel

10/2/18
Date

ITEM: FF-3

**University of Central Florida
Board of Trustees**

SUBJECT: Parking Garage at UCF Downtown

DATE: October 5, 2018

PROPOSED BOARD ACTION

Approve \$14.62 million toward the design and construction of a 580-space parking garage at UCF Downtown, which will include 25,000 square feet of ground floor “white-box” space to support the university store, campus services, and facilities operations.

BACKGROUND INFORMATION

Out of an abundance of transparency, the university is requesting individual approval for capital projects exceeding two million dollars that began prior to October 26, 2017. In addition, written certification of the source and appropriateness of funds is being provided for each project.

Prior to October 26, 2017, capital improvement projects were submitted to the Board for review and approval annually through the Five-year Capital Improvement Plan and the Capital Outlay Budget.

According to the Delegation of Authority to the President, which was passed by the Board on October 26, 2017, use of university funds for capital improvement projects exceeding two million dollars in construction costs and all changes to such projects that increase project costs by more than 10 percent of the original estimate require specific approval of the Board.

A detailed timeline of Board interactions and milestones associated with this individual project is included as Attachment A.

Supporting documentation: Attachment A: Detailed Timeline
Attachment B: Certification of Funds

Prepared by: Mike Kilbride, Assistant Vice President, UCF Downtown

Submitted by: Thad Seymour, Vice President for Partnerships and Chief Innovation Officer
Misty Shepherd, Interim Vice President, Administration and Finance
Kathy Mitchell, Interim Chief Financial Officer

Attachment A

Detailed Timeline

UCF Downtown Parking Garage

September 24, 2015: The Board approved updates to the Proposal to Establish a Type I Campus. The plan focused on relocating strategic and community-facing programs, creating a vibrant student experience, and maximizing enrollment and synergies between academic programs. The plan committed to an enrollment of more than 7,000 UCF and Valencia students on a full-service campus. *The plan included a new 600-space parking garage* that would be built and managed by UCF Parking and Transportation Services.

January 28, 2016: The Board approved revisions to the 5 Year Capital Improvement Plan. The plan continued to include the UCF Downtown Campus Garage I as a \$15.3 million project.

March 2, 2016: The Board of Governors approved the University's Proposal to Establish a Type I Campus in downtown Orlando. *The plan included a new 600-space parking garage* that would be built and managed by UCF Parking and Transportation Services.

May 31, 2016: The Board approved the 2016-17 capital outlay budget that included the UCF Downtown Campus Parking Garage I as a \$15.3 million project.

Summer 2016: The University engaged in conversations with the Division of Bond Finance to begin the process of issuing revenue bonds to finance the new garage. At their recommendation, it was decided that UCF would proceed with building the garage without issuing bonds and pay cash for the project.

October 19, 2016: The University selected a team to design and build the Parking Garage. The garage was planned so that it would open at the same time as the campus in the Fall of 2019.

April 19, 2017: An update was provided to the Finance and Facilities Committee stating the original plan and scope for the parking garage was no longer viable due to additional programmatic needs. The University requested to withdraw the current RFP and go back out to bid with a package that better defined the scope of the project. Chairman Marchena requested additional information at the next FFC meeting before any action was taken.

May 16, 2017: An update was provided to the Finance and Facilities Committee detailing how the planning of the parking garage evolved since the September 24, 2015 presentation. The University proposed to increase the total project cost for the garage to \$13.5 million, using the team that had already been selected through the initial RFP. The additional budget would provide approximately 25,000 square feet of "white-box" space for the university store, campus services, and facilities operations. University departments would be responsible for building out the "white-box" space once the garage was designed. This proposal was presented as an information item, so no vote was taken. The committee was supportive of the approach.

September 2018: The University received a GMP that included escalation associated with concrete and steel causing the overall project cost to increase to \$14.62 million.

October 5, 2018: Out of an abundance of transparency, the University is requesting approval for \$14.62 million to be used toward the design and construction of a 580-space parking garage with 25,000 square feet of “white-box” space at UCF Downtown. The action item references the ***current estimate of the project’s total cost*** which includes realized and estimated escalation associated with construction, furniture, fixtures, and equipment. The projected total project cost by category is listed below.

Projected Total Project Cost	
Planning	\$ 972,826
Construction	\$ 13,330,000
Furniture, Fixtures and Equipment	\$ 315,000
Project Management Services	\$ -
Total	\$ 14,617,826

Attachment B



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Parking Garage at UCF Downtown

Funding source(s): Parking and Transportation Services auxiliary cash

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Dale Whittaker
President

10.4.18
Date

Misty Shepherd
Vice President

10/2/18
Date

Kathryn Mitchell
Chief Financial Officer

10/2/18
Date

W. Scott Cole
General Counsel

10/2/18
Date

ITEM: FF-4

**University of Central Florida
Board of Trustees**

SUBJECT: Infrastructure for UCF Downtown

DATE: October 5, 2018

PROPOSED BOARD ACTION

Approve \$9.8 million toward the design and construction of the campus infrastructure to support the UCF Downtown campus. Infrastructure includes civil, utilities, hardscape, and landscape of the new campus.

BACKGROUND INFORMATION

In August 2016, the university executed a contract with the team selected to design and construct the Dr. Phillips Academic Commons, renovate the Center for Emerging Media, and complete the campus infrastructure required to support the downtown campus. A total of \$5 million was allocated for the design and construction of campus infrastructure.

A line item for infrastructure was never included on the Five-year Capital Improvement Plan or the Capital Outlay Budget.

The work that is associated with this project includes constructing and connecting the exterior utilities, which include potable water, fire main, sanitary sewer, storm water attenuation, and water quality, electrical, data/fiber/communications, chilled water distribution, and return. In addition, it includes exterior signage, hardscape, and landscape serving this initial phase of the campus.

The components of this project are critical to the campus and are required for a successful opening in Fall 2019.

Supporting documentation: Attachment A: Certification of Funds

Prepared by: Mike Kilbride, Assistant Vice President, UCF Downtown

Submitted by: Thad Seymour, Vice President for Partnerships and Chief Innovation Officer
Misty Shepherd, Interim Vice President, Administration and Finance
Kathy Mitchell, Interim Chief Financial Officer



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Infrastructure at UCF Downtown

Funding source(s): Auxiliary revenues that are not for student services or debt service

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Dale Whittaker
President

10.4.18
Date

Misty Shepherd
Vice President

10/2/18
Date

Kathryn Mitchell
Chief Financial Officer

10/2/18
Date

Dr. Ken Cole
General Counsel

10/2/18
Date