MINUTES

BOARD OF REGENTS’ COMMITTEE ON PLANNING AND FACILITIES MEETING

NOVEMBER 3, 2016

I. CALL TO ORDER

Committee Chair Stanford Yuen called the meeting to order at 12:43 p.m. on Thursday, November 3, 2016, at the University of Hawai‘i at Mānoa, Information Technology Building, 1st Floor Conference Room 105A/B, 2420 Correa Road, Honolulu, Hawai‘i 96822.

Committee members in attendance: Committee Chair Stanford Yuen; Committee Vice Chair Michelle Tagorda; Board Vice Chair Benjamin Kudo; Regent Lee Putnam; Regent Ernest Wilson, Jr.

Others in attendance: Board Chair Jan Sullivan; Board Vice Chair Randolph Moore; Regent Simeon Acoba; Regent Brandon Marc Higa; Regent Wayne Higaki; Regent Michael McEnerney; Regent Jeffrey Portnoy (ex officio committee members); President and Interim UH-Mānoa (UHM) Chancellor David Lassner; Vice President for Academic Planning & Policy Risa Dickson; Vice President for Administration Jan Gouveia; Vice President for Community Colleges John Morton; Vice President for Legal Affairs/University General Counsel Carrie Okinaga; Vice President for Research & Innovation Vassilis Syrmos; Vice President for Information Technology/Chief Information Officer, Garret Yoshimi; Vice President for Budget & Finance/Chief Financial Officer Kalbert Young; Interim UH-West O‘ahu (UHWO) Chancellor Doris Ching; Executive Administrator and Secretary to the Board Cynthia Quinn; and others as noted.

II. APPROVAL OF MINUTES OF THE AUGUST 4, 2016 MEETING

Regent Wilson moved to approve the minutes of the August 4, 2016 meeting, seconded by Committee Vice Chair Tagorda, and the motion carried unanimously.

III. PUBLIC COMMENT PERIOD

Executive Administrator and Secretary of the Board Cynthia Quinn announced that the board office received no written or oral testimony.

IV. ITEMS FOR INFORMATION OR ACTION

A. Recommend Approval

1. FY 2018-2019 Biennium Capital Improvement Budget Legislative Request
2. FY 2018-2023 6 Year CIP Plan

The committee received two proposals to recommend board approval regarding the 2018-19 FY Biennium Capital Improvement Budget Legislative request with the 2018-
2023 6-year CIP Plan. The presentation was combined because the 2 year biennium CIP budget request is the first two years of the 6-year CIP plan. VP Gouveia provided a slide presentation explaining the elements of the biennium proposal that was focused on a new approach for the 6 year CIP plan that shifted from replicating outdated subsystems to following novel working principles to create a CIP program comprised of four categories that is nimble, with the ability to address unexpected shortfalls and facilities needs over time. The projects were grouped into four categories: Major CIP; Renew, Improve, Modernize (RIM) projects; Minor CIP projects; and Planning projects. She explained the different categories, the breakdown by year and campus, and projected impact on deferred maintenance. The 6 year program also included an Energy Service Company (ESCO) program to address energy efficiencies and savings. It was explained how Hawai‘i construction costs are the second highest in the world, and that administration is working on strategies and prioritization, changing culture to focus on highest and best use versus silo-based historical uses, and encouraged by recent support by the Governor to expedite processes. The committee applauded the aggressive, new ideas using proven techniques, and acknowledged implementation and delivery as the key critical factor. There was extensive discussion on the best approach for the plan to work either as a fixed baseline or a flexible plan, sources of funding, impact on the plan and financial stability with declining enrollment, and future board review and approval anticipated. Discussion also held regarded ensuring facilities are mission-focused, as well as recognizing the university’s role in delivering services to the community, such as the Cancer Research Center, and fallback plans. The committee concurred to move forward with both proposals as presented with a modification to the UHWO allocation to review and prioritize how the lands will be monetized for the benefit of the campus in recognition of the expectation by the legislature and the public. The infrastructure is still needed to subdivide and sell lands that must be addressed or cannot move forward. It was also noted that the task group working on the UHWO lands planning is due for a report on the challenges and should be provided at an upcoming board meeting.

Regent Higaki, ex-officio committee member left the meeting at 12:59 p.m.; quorum was not affected.

Regent Wilson moved to recommend board approval of the FY 2018-2019 Biennium Capital Improvement Budget Legislative Request and FY 2018-2023 6 Year CIP Plan, subject to further revisions as discussed regarding UHWO, seconded by Committee Vice Chair Tagorda, and the motion carried by unanimous vote.

V. EXECUTIVE SESSION

A. Real Estate Matters (To consider negotiations concerning acquisition and/or lease of public property pursuant to HS 92-5(a)(3))

1. Discussions of lease agreements relating to the Atherton YMCA property on University Avenue and Metcalf Street, ‘Oahu.
   a. UH Foundation/University Master Lease (Atherton YMCA property – TMK No. (1) 2-8-016-001).
b. University/YMCA Long Term Lease (UH Mānoa Queen Liliʻuokalani Center for Student Services Building, Units 102, 102B, 104, 105A, Tax Map Key No. (1) 2-8-023-003 (por.).

Upon motion by Regent Wilson, seconded by Board Vice Chair Kudo, the board unanimously approved convening in executive session, pursuant to HRS §92-5(a)(3) to discuss real estate matters. The board convened in executive session at 2:08 p.m. Following a motion to come out of executive session by Regent Wilson, seconded by Committee Vice Chair Tagorda, and the motion carried unanimously, executive session was adjourned at 2:47 p.m.

The meeting reconvened at 2:50 p.m. Committee Chair Yuen stated that the committee went into executive session to discuss real estate matters as indicated on the agenda.

VI. ITEMS FOR ACTION OR INFORMATION (CONT’D)

A. Recommend Approval

1. UH Foundation/University Master Lease (Atherton YMCA property – TMK No. (1) 2-8-016-001).

Regent Putnam moved to approve the UH Foundation/University master lease seconded by Committee Vice Chair Tagorda and the motion carried unanimously. Regent Putnam also expressed strong appreciation to UHF in facilitating the purchase and recognized the Office of Student Housing for their work.

2. University/YMCA Long Term Lease (UH Mānoa Queen Liliʻuokalani Center for Student Services Building, Units 102, 102B, 104, 105A, Tax Map Key No. (1) 2-8-023-003 (por.).

Regent Wilson moved to approve the University/YMCA long term lease, seconded by Board Vice Chair Moore and the motion carried unanimously.

Board Vice Chair Kudo left the meeting at 2:50 p.m.; quorum was maintained. Board Chair Sullivan and Regent Portnoy, ex-officio committee members, left the meeting at 2:51 p.m., but quorum was not affected.

B. For Information

1. Sightlines Presentation

The committee received a report on the national trends of university facilities by Sightlines consultant working with the UH System on facilities planning and assessment. It was reported how the UH System is within the midrange on the national scale regarding the average 20 to 30 year deferred maintenance cycle. The data gathered is also regionally adjusted to acknowledge the high cost of construction in Hawai‘i. Costs and strategies were discussed and confirmed that they aligned with the new 6-year CIP plan.
proposal. Strategies discussed focused on a more strategic change to move academically forward by creating portfolios to reinvest according to purpose and priorities that support academics today and into the future with flexible, modern, collaborative, adaptable space. UH is not the worse among its peers, and the 6 year plan is supportive of recommended strategies and incorporated accordingly. Currently, data collection is underway to understand the true state of conditions, and then determine programmatic needs, beginning with UHM as a model to expand to other campuses.

Ex-officio committee members Regent Acoba and Regent McEnerney left the meeting at 3:08 p.m.; quorum was not affected.

2. FY17 Q1 Major Projects Update

The committee received a report on the status of major projects, that showed, in the aggregate, all are on budget, on time, and within acceptable ranges. Other projects pending close out generally regard contractor disputes, although the spaces are in full use and benefit. Additional projects are in bidding stages and expected to be added and included in the budget proposal.

VII. ADJOURNMENT

There being no further business, Committee Vice Chair Tagorda moved to adjourn, and Regent Wilson seconded, and with unanimous approval, the meeting was adjourned at 3:23 p.m.

Respectfully Submitted,

/S/

Cynthia Quinn
Executive Administrator and
Secretary of the Board of Regents