

## **MINUTES**

### **BOARD OF REGENTS COMMITTEE ON PLANNING AND FACILITIES MEETING**

**SEPTEMBER 3, 2020**

**Note:** On January 30, 2020, the World Health Organization declared the outbreak of COVID-19 a public health emergency of international concern, subsequently declaring it a pandemic on March 11, 2020. On March 16, 2020, Governor David Y. Ige issued a supplementary proclamation that temporarily suspended Chapter 92, Hawaii Revised Statutes, relating to public meetings and records, “to the extent necessary to enable boards to conduct business in person or through remote technology without holding meetings open to the public.”

#### **I. CALL TO ORDER**

Chair Michelle Tagorda called the meeting to order at 1:03 p.m. on Thursday, September 3, 2020. The meeting was conducted virtually with regents participating from various locations.

Committee members in attendance: Chair Michelle Tagorda; Regent Simeon Acoba; Regent Kelli Acopan; Regent Alapaki Nahale-a; and Regent Jan Sullivan.

Committee members excused: Vice-Chair Wayne Higaki.

Others in attendance: Board Chair Benjamin Kudo; Regent Randy Moore; Regent Robert Westerman; Regent Ernest Wilson (ex officio committee members); President David Lassner; Vice President (VP) for Administration Jan Gouveia; VP for Community Colleges Erika Lacro; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Academic Planning and Policy Donald Straney; VP for Research and Innovation Vassilis Syrmos; VP for Budget and Finance/Chief Financial Officer Kalbert Young; VP for Advancement/UH Foundation (UHF) Chief Executive Officer Tim Dolan; UH-Mānoa (UHM) Provost Michael Bruno; UH-Hilo (UHH) Chancellor Bonnie Irwin; UH-West O‘ahu (UHWO) Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

#### **II. APPROVAL OF MINUTES**

Regent Sullivan moved to approve the minutes of the June 4, 2020, meeting, seconded by Regent Acopan, and noting the excused absence of Regent Higaki, the motion carried, with all members present voting in the affirmative.

#### **III. PUBLIC COMMENT PERIOD**

Board Secretary Oishi announced that the Board Office did not receive any written testimony and that no one had signed up to provide oral testimony.

#### **IV. AGENDA ITEMS**

**A. Committee Work Plan**

Chair Tagorda referenced the Committee Work Plan (Work Plan) that was provided to committee members in the materials packet. She stated that it was her intent to use the Work Plan as an outline to guide the work to be performed by the committee during the coming year and inquired if committee members had any comments or suggested amendments.

Regent Sullivan stated that in the past, an annual progress report regarding sustainability objectives was provided to the committee and suggested that issue be added to Work Plan. Regent Tagorda agreed, saying that the issue of sustainability has been growing over the past several years and the university has spent time and energy in developing and executing sustainability policies. She stated that this issue would be added to the Work Plan as a topic for discussion.

**B. Recommend Board Approval of the Fiscal Year (FY) 2020-2021 Supplemental Capital Improvement Project (CIP) Expenditure Plan**

Prior to the presentation and discussion on this agenda item, Regent Sullivan stated that the engineering division of Oceanit, the company she is employed by, is party to a contract for work related to the Waikīkī Aquarium which is one of the CIP projects encompassed by this expenditure plan. Accordingly, she stated that she would recuse herself from the meeting until such time that discussions have been completed and a vote has been conducted on the agenda item.

Regent Sullivan left at 1:09 p.m.

VP Gouveia reviewed the CIP funding for the university that was contained in the biennium budget approved by the Legislature in 2019 which was used to develop the administration's CIP expenditure plan for FY 2020-2021. She noted that in September 2019, the administration presented its FY 2021 supplemental CIP budget request for various CIP projects across the university system to the board for approval. Subsequently, the administration submitted the board approved supplemental CIP budget request to the Legislature in the amount of \$236.5 million of which \$16.6 million was approved. She noted that the administration was seeking board approval of its plan for the use of these funds.

The plan for the use of the supplemental appropriation was presented with VP Gouveia stating that CIP projects to be funded included \$13,248,000 for various minor capital improvement projects at the community colleges including renovations for the modernization of facilities, demolition of existing facilities, and other minor improvements; \$600,000 for repairs and improvements to the Waikīkī Aquarium including the installation of a new wastewater discharge system to comply with federal and state regulations and discharge permit requirements; and \$4,500,000 for design, construction, and improvements to the Waterhouse Strength and Conditioning Facility located in the Stan Sheriff Center, the Rainbow Wahine Softball Stadium, and the golf strength and conditioning facility. She also stated that the amount of CIP funding to

renew, improve, and modernize facilities at UHM appropriated in 2019 was reduced by \$1,752,000, which is also reflected in the supplemental CIP expenditure plan.

Regent Acoba requested clarification as to reason for this report on the administration's supplemental CIP expenditure plan asking if it was for information purposes only or if the administration was seeking a recommendation from the committee for board approval of this plan. VP Gouveia responded that the administration was seeking board approval of its FY 2021 supplemental CIP expenditure plan.

Regent Acoba inquired if the information contained in the presentation on the supplemental expenditure plan included only CIP projects that met the \$5 million construction threshold and \$1 million dollar design threshold project reporting requirements. VP Gouveia replied that, in the past, CIP status reports encompassed construction projects with budgets in excess of \$5 million and design projects in excess of \$1 million. However, this became problematic for situations where a CIP project was initiated with a budget below a respective threshold but then exceeded that threshold over the course of the project. To avoid confusion, the administration now provides the entire list of CIP projects regardless of dollar value.

Regent Acopan moved to recommend board approval of the FY 2020-2021 supplemental CIP expenditure plan, seconded by Regent Acoba, and noting the excused absence of Vice-Chair Higaki and the recusal of Regent Sullivan, the motion carried, with all other members present voting in the affirmative.

Regent Sullivan returned at 1:18 p.m.

**C. Recommend Board Approval of Authorization to Amend Pre-Closing Agreement with Greystar Development Services, LLC (Greystar) for Development of a Multi-Family Rental Housing Facility at the Former NOAA Site**

VP Young provided a brief history of the NOAA Graduate Student Housing Project (Project) noting that in March 2020, the board approved the administration's request to enter into a limited pre-closing agreement (PCA) with Greystar under which the university would agree to reimburse Greystar for pre-construction costs of up to \$1.5 million it incurred for architectural, engineering, and other services for the project if the project failed to proceed. The PCA was finalized and signed in April 2020, with the initial phase of the pre-construction work and the financing for this phase anticipated to continue through the end of this calendar year. At the time initial approval was given for the administration to enter into a PCA with Greystar, it was anticipated that additional pre-construction costs would be accommodated in future amendments to the PCA and that the administration would seek board approval for these amendments including the disposition of any additional funds that extended beyond the 2020 calendar year. VP Young stated that board approval is being sought to amend the PCA to accommodate the next pre-construction phase of the Project. The requested amendment would allow the administration to authorize Greystar to expend up to an additional \$1 million for pre-construction costs for the Project through April 2021. He also noted that the

administration is expecting to return to the board to seek approval of further amendments to the PCA to accommodate future pre-construction phases of the Project that extend beyond April 2021. The Project currently remains on schedule with completion and occupancy anticipated in August 2023.

Regent Westerman left at 1:33 p.m.

Regent Acoba requested clarification on the specific request being made by the administration's amendment to the PCA. VP Young replied that the administration's amendment was seeking approval to authorize Greystar to expend up to an additional \$1 million for pre-construction costs for the Project through April 2021. Regent Acoba asked if the administration was requesting authority to proceed beyond April 2021. VP Young responded that when the administration's initial request to enter into a PCA with Greystar was approved by the board, it was stipulated that the administration would be required to return to the board to seek incremental approval for pre-construction funding of the Project as it progressed through various phases. This was to ensure that the board was afforded multiple opportunities to evaluate the Project through each pre-construction phase towards project completion. He stated that the total pre-construction budget for the Project was approximately \$5 million and that, with this request, approximately \$2.5 million would be authorized for use. It was anticipated that two additional amendments to the PCA requesting authorization for use of the remaining funds would be requested by the administration at a later time. Regent Acoba queried whether the specific amounts of the additional amendments, as well as the timeframe for these requests, have already been determined. VP Young replied that the exact amounts and timeframes are not yet known as the administration continues to work on ensuring that the amounts requested and timing of the request coincide with particular milestones for delivery of the Project.

Noting that the PCA required that a market demand study be conducted for the Project, Regent Acoba inquired as to whether this study was completed and, if so, whether the results of the study determined a demand for the type of housing envisioned by the Project. VP Young responded in the affirmative noting that officials from Greystar could provide more details on the study. Mr. Jared Everett, Managing Director for Greystar's University Partnerships Division, confirmed that a market demand study was completed and that the study concluded that sufficient demand for housing existed among graduate students, faculty, and staff of the university to justify the Project.

Stating that Regents never received a copy of, or a report on, the market demand study, Regent Acoba asked whether the administration had a copy of the study. VP Young replied that, while the formal study has been completed and the administration has been briefed on the data, statistics, and conclusions of the study, the official document has not yet been finalized by the consultant that performed the study. Once the administration receives the official copy of the study, it can be provided to Regents. In view of this, Regent Acoba requested Greystar to summarize the salient points of the study. Mr. Everett stated that the market demand study was conducted by Scion Advisory Services, an independent third party that specializes in student housing market demand surveys. The study evaluated market demand for housing, both on and off-

campus, and conducted a survey of graduate students, faculty, and staff of the university to determine the level of interest in an on-campus, multi-family rental housing facility. Given the projected price points, available amenity options, and anticipated accessibility to an on-site childcare facility, the study indicated interest was high with an anticipated demand for more than 500 of the proposed 550 Project units. While the market demand study was favorable, Mr. Everett stated that it was a preliminary study that was performed to gauge interest in the Project. He noted that bond investors require that any market study conducted on a bond-financed project be no older than one year from the date of the anticipated bond sale. Thus, it will be necessary to conduct an additional market demand study on the Project in the next 12 to 18 months.

Regent Acoba asked if the COVID-19 pandemic impacted the results of the study. Mr. Everett replied that the study was conducted and finalized in the midst of the pandemic and Greystar believes that responses to the survey encapsulated the pandemic's impacts.

Regent Sullivan inquired as to whether the total amount of funds necessary for Greystar to complete its pre-construction work was \$2.5 million in the aggregate. Mr. Everett replied that the total cost for pre-construction work was \$5 million in the aggregate and reiterated VP Young's explanation regarding incremental approval by the board for funding for pre-construction work.

Regent Sullivan asked if her understanding that failure to proceed beyond close on the Project would result in the university being liable for any pre-construction costs incurred to date, including a minimum of six percent interest charged on funds advanced by Greystar and any accrued development fees. Mr. Everett responded in the affirmative but noted that payment of any accrued development fees by the university would only occur if the university unilaterally terminated the Project or terminated the agreement with Greystar but wished to retain ownership and title to the already completed pre-construction work so as to proceed on the Project either on its own or with another development partner.

Regent Sullivan questioned what the total maximum financial risk exposure would be for the university with regard to the Project. Mr. Everett replied that the total maximum exposure to the university would be \$5 million. However, there are multiple points along the Project timeline that require reports be made to, and approval received from, the board to proceed on the Project which will help to mitigate this risk.

Regent Acoba requested clarification as to when the next request for funding of the pre-construction work would be received inquiring as to whether this was the April 2021 date referenced by the administration. Mr. Everett replied that in 2021, the administration and Greystar would return to the board with a progress report on the Project and a request to authorize funding for the next pre-construction phase which is slated to begin in early 2022. Regent Acoba asked if this would be the final phase. Mr. Everett stated that there is one additional phase which is slated to begin in early 2023.

Regent Sullivan moved to recommend board approval of authorization to amend the PCA with Greystar for the Project, seconded by Regent Nahale-a, and noting the

excused absence of Vice-Chair Higaki, the motion carried with all members present voting in the affirmative.

**D. Recommend Board Approval of Service Order to Research Corporation of the University of Hawai'i (RCUH) for the University of Hawai'i Cancer Center (Cancer Center) Ho'ōla Early Phase Clinical Research Center (Ho'ōla)**

Prior to the presentation, President Lassner noted that, due to what might be considered a potential conflict of interest issue involving VP Gouveia, VP Syrmos would be delivering the presentation on this agenda item in her stead.

VP Syrmos introduced Randy Holcombe, M.D., Director of the Cancer Center, to provide an overview of the Ho'ōla project. Dr. Holcombe provided a brief overview of Ho'ōla stating that its main purpose was to reduce the burden on Hawai'i's cancer patients through the provision of in-state, novel clinical cancer research trials thereby providing local access to the most advanced and innovative cancer treatments available. He noted, however, that an added benefit of establishing Ho'ōla was that it would facilitate economic diversification; promote acquisition of additional extramural and federal funding for the Cancer Center; and have a substantial, positive economic impact on the State. It was explained that when the Cancer Center building was constructed, a four-story annex portion of the building consisting of approximately 37,000 square feet was built as shell space for future development of research facilities such as Ho'ōla which is expected to occupy two of the four available floors. The Cancer Center has worked with numerous community stakeholders including members of the Hawai'i Cancer Consortium, Cancer Center clinical research network sites, the Native Hawaiian Community Advisory Board, Friends of the Cancer Center, and UHF on the development of Ho'ōla.

An overview of project funding was provided with Dr. Holcombe stating that funding was provided by a variety of sources and included \$6.5 million in CIP funds received from the State; \$6.48 million in construction grant funding from the National Institutes of Health (NIH); and numerous philanthropic gifts, donations, and endowments. Additionally, a 15 percent contingency fund was created to address any project cost overruns or change-orders should they occur. He outlined the distribution of both State and federal funding that would be used for design, construction, and equipment for the project, and provided a timeline for the use of these funds noting that the NIH has very stringent timetables for the use of federal monies and is requiring that all NIH grant funding for this project be expended by May 23, 2024.

To date, the project remains on schedule, meeting all applicable deadlines, with the permitting process anticipated to begin in early 2021. At present, the university and RCUH are working collaboratively to delineate the project management financing responsibilities for Ho'ōla so as to allow it to be managed in a unified manner.

VP Syrmos provided background information on the specific service order request, as well as the technical details involved in the service order request process, and reiterated that the two main sources of funding were CIP funds received from the State and a grant from the NIH. It was noted that the NIH grant, which was awarded in

September 2019, contained strict requirements, including a requirement that a design consultant complete 35 percent of the schematic design of Ho'ōla no later than January 23, 2020, and firm deadlines for the expenditure of funds. Given the compressed timeframe, and the fact that the CIP funds were unavailable for use since they had not yet been received by the university, it became necessary for the Cancer Center to use RCUH to process a design consultant contract as a direct federally funded project so as to avoid the loss of federal funds. A design consultant contract was awarded by RCUH in 2019 and design work was initiated with 65 percent completed to date. Since RCUH had already issued and funded the design consultant contract and is experienced with federal procurement requirements, the administration believes that all funding for the project should be administered by RCUH and that all construction contracts should be awarded by RCUH to maintain continuity and compatibility within the project. As such, the administration requested board approval of a service order, as is required by Regent Policy, to allow for the intramural transfer of the \$6.5 million in CIP funding received by the university for Ho'ōla to RCUH. VP Syrmos emphasized that while the contracts will be executed by RCUH and RCUH is responsible for the procurement and fiscal administration of the project, the university retains responsibility for overall project management.

Stating that she supported Ho'ōla but referencing past issues regarding the management of construction contracts by RCUH, Regent Sullivan asked if the project was in compliance with statutory and interagency contractual parameters. VP Okinaga replied that the applicable statutory requirements are captured in the internal agreement between the university and RCUH and are very broad so she believes this issue has been addressed. She added that RCUH is represented by the Office of the Attorney General who did not raise issues with the agreement.

Regent Sullivan asked what RCUH's fees were for providing services for the project. VP Syrmos replied that the fee for extramural funds received from NIH is established in the agreement with RCUH and is based upon a standard federal formula. The fee charged for the intramural transfer of CIP funds is the standard fee of 3.2 percent which is used whenever the university initiates a service order involving extramural funds to any agency.

Regent Acoba requested further clarification on the specific amount of fees being charged for the transfer of project funding. VP Syrmos replied that for the \$6.48 million in NIH grant funds, the federal government uses a formula that is adjusted annually and the allowable fee is usually between 2.8 and 3.7 percent. With regard to the \$6.5 million in CIP funding, the standard fee whenever the university initiates a service order to any agency is 3.2 percent. This equates to a few hundred thousand dollars for both fund transfers. Regent Acoba continued his line of questioning asking if the university would have realized cost-savings by managing the contracts internally thereby avoiding the noted fees. VP Syrmos replied that there may have been some cost-savings but that proceeding with the project in this manner will allow it to be carried out more efficiently and effectively.

Stating that the action memo submitted by the administration regarding the service order indicated that the transfer of funds for Ho'ōla had already occurred and that the

project had already been initiated, Regent Acoba asked how a project of this scope could proceed, and funding be provided for the project, without board approval. VP Syrmos explained that Ho'ōla was approved by the board last year and that it was initiated with funds from the NIH grant that were automatically service ordered to RCUH as provided for under an executive order issued in the 1990s with regard to extramural funding. The service order request presently before the committee for action is to allow for the intramural transfer of recently received CIP funds for Ho'ōla from the university to RCUH. Regent Acoba asked if the administration was of the opinion that once executive orders are established they remain unchanged and in effect until they are amended or repealed. VP Syrmos responded in the affirmative.

Regent Moore expounded on comments made regarding the management of construction contracts by RCUH in the past noting that the issue at that time was that RCUH lacked the expertise to properly manage construction projects. It was his understanding that RCUH still lacks this expertise which is the reasoning behind the university maintaining overall management oversight of the project. He asked if this assessment was accurate and if so, whether this project would be conducted in the same manner as the Center for Microbial Oceanography: Research and Education (C-MORE) project. VP Syrmos replied that Regent Moore's assessment was accurate. He noted that a similar situation existed with the highly successful C-MORE project explaining that a memorandum of understanding (MOU) was executed between the university and RCUH whereby RCUH retained fiscal responsibilities for the project while the university retained responsibilities for overall construction management. Ho'ōla will be managed in the same way.

Regent Moore remarked that if the university was responsible for the overall management of construction for the project, perhaps the fees paid to RCUH should be reduced. VP Syrmos noted that the 3.2 percent fee paid to RCUH was mainly for operational costs associated with processing financial transactions and in his opinion was fair.

Regent Sullivan remarked that she would be recusing herself from the discussion on the vote on this matter as she just recalled that she was recently appointed as a Regent member of the RCUH Board. [note: It was later determined that this was not a conflict, as she was a member of the RCUH Board by virtue of her position on the Board of Regents.]

Regent Sullivan left at 2:18 p.m.

Noting that only \$400,000 was appropriated for equipment for Ho'ōla, Regent Moore inquired if that was a sufficient amount. Dr. Holcombe replied that most of the equipment is included in the construction costs and that the \$400,000 was more for specialized equipment. While the amount is sufficient, the Cancer Center will continue its efforts to secure additional funding for equipment through philanthropic means.

Although Regent Acoba expressed that he will support approving the service order, he commented that he still had concerns and issues with the processes used to carry out this project and felt needed to be addressed. He also expressed concerns with



regard to the actual role the university will have in the management of the construction of Ho'ōla as that has not been delineated in any amount of detail. However, he was somewhat reassured by the fact that the action memo submitted by the administration requesting approval of the service order noted that a MOU or a project management plan will be executed between the university and RCUH detailing their respective roles and responsibilities with regard to the construction of Ho'ōla. VP Gouveia stated that the university has been working closely with the Cancer Center facilities team that addresses capital issues at their facility. Regent Acoba asked whether this information will be provided to the board in a memo. VP Gouveia stated that a MOU is currently being prepared and will be provided to Regents once it is finalized.

Regent Nahale-a moved to recommend board approval of the service order to RCUH for Ho'ōla, seconded by Regent Acopan, and noting the excused absence of Vice-Chair Higaki and the recusal of Regent Sullivan, the motion carried, with all other members present voting in the affirmative.

Regent Sullivan returned at 2:26 p.m.

**E. Recommend Board Approval of Amendments to RP 11.203, Naming of Campus Improvements and Academic Programs**

President Lassner reviewed RP 11.203, which sets forth policies regarding the naming of campus improvements and academic programs and was last updated in 2005. It was noted that RP 11.203 contains considerations for the naming of campus improvements and academic programs that have not evolved to recognize potential philanthropic opportunities for the university offered by the naming of facilities, buildings, or programs. Confusion also exists with regard to the authority of the president in the naming of campus improvements and academic programs under the currently existing policy. He stated that the administration was seeking board approval to amend RP 11.203 to modernize the policy and provide clarity to naming rights authority. In particular, the proposed amendments would distinguish between the reasons for naming a facility, property, or program and describe the three major naming categories as functional naming, philanthropic naming, and honorific naming; expand the possibilities for philanthropic opportunities for facilities on campuses while supporting an organized approach to managing and administering these facilities; and establish clear and distinct lines of delegation from the board to the president.

Regents raised concerns with the clarity of the proposed amendments, particularly with regard to whether the proposed amended language inadvertently delegated all authority for the naming of facilities, properties, and programs to the President. Discussions ensued between the Regents and the administration regarding these concerns.

Regent Sullivan moved to recommend board approval of the amendments to RP 11.203, subject to clarifying amendments being made to the policy to address the concerns raised by the committee and presented to the board for consideration, seconded by Regent Acopan, and noting the excused absence of Vice-Chair Higaki, the motion carried, with all members present voting in the affirmative.

**F. FY 2019-2020 4<sup>th</sup> Quarter CIP Status Report as of June 30, 2020**

VP Gouveia provided a brief report on the status of CIPs through the fourth quarter of FY 2019-2020 stating that all projects are moving forward as planned with no significant issues. She noted that the Saunders Hall exterior repairs and reroofing project has experienced delays due to impacts of COVID-19 on the manufacturer of the interior doors of the facility. She also highlighted the Athletic Gyms 1 and 2 renovation project which needed modifications to address roofing needs to account for the installation of a photovoltaic system intended to reduce increased electrical costs associated with newly installed air conditioning systems. VP Gouveia also noted that five additional projects: the William S. Richardson School of Law project, Holmes Hall project, Kennedy Theatre project, CTAHR due diligence project, and the Native Hawaiian Center for Excellence project at UHWO, have been completed and will be removed from the CIP status report.

Regent Moore asked if Ho'ōla will be added to future CIP status reports. VP Gouveia responded that Ho'ōla can be added to the status report. Regent Moore also inquired about the status of the space utilization study for UHM. VP Gouveia replied that the space utilization study for UHM has been completed and that the administration can provide a final update to the committee on that project at a later meeting. She added that the administration has also begun conducting utilization space studies for UHH, UHWO, and the community colleges.

**G. University Land-Related Strategic Initiatives and Partnerships Program FY 2019-2020 4<sup>th</sup> Quarter Update**

VP Young presented updates on the UHWO University District, Atherton, NOAA Graduate Housing, and Kaimuki/Leahi Hospital Parcel P3 projects. He noted the following:

- UHWO - University District Project: This project, which is a project that seeks to develop a university village on lands adjacent to the UHWO campus, is currently in limbo. An exclusive negotiations agreement that was signed with Hunt Development Group and Stanford Carr Development expired on August 15, 2019, with negotiations reaching an impasse over terms of a master development agreement. The administration is reevaluating this project and determining how to proceed on a restart of the project.
- Atherton Project: This project, which focuses on innovation space and student housing and is being undertaken under a partnership with UHF, is currently in the value-engineering design phase which will scale the project to a budget plan and is moving forward as projected. The City and County of Honolulu has made a determination that this project is considered a major modification of the entitlement process and the university is working in collaboration with UHF and Hunt Development Group to establish a master development agreement for the property which it hopes to present to the committee in November. An environmental assessment was recently issued with a finding of no significant impact. The university also continues to monitor the market, industry, and

interest rate impacts of COVID-19 and their possible effects on the project. While the initial target financing date for this project of the end of 2020 has been slightly delayed due to the impacts of COVID-19 on the bond market, project completion is still expected to be August 2023.

- NOAA Graduate Student Housing Project: This project, which is a housing project located near the East-West Center, is just beginning. Details of the project and PCA were described in agenda item IV.C.
- Kaimuki/Leahi Hospital Parcels Project: This project is currently evaluating the possible disposition of three parcels of university-owned land (6.56 acres) in the Kaimuki area adjacent to Leahi Hospital. Disposition may take the form of a fee-simple sale or long-term ground lease with a developer. The administration contracted CBRE, Inc. to prepare real property appraisals of the fair market value of the fee-simple interests in the parcels which has been determined to be \$15 million in the aggregate. The administration will return to the board once a determination has been made regarding the recommended disposition of these three parcels.

#### **V. ADJOURNMENT**

There being no further business, Regent Sullivan moved to adjourn, seconded by Regent Acopan, and noting the excused absence of Regent Higaki, and with all members present voting in the affirmative, the meeting was adjourned at 2:54 p.m.

Respectfully Submitted,

/S/

Kendra Oishi  
Executive Administrator and Secretary  
of the Board of Regents