

MINUTES

BOARD OF REGENTS MEETING

FEBRUARY 22, 2018

I. CALL TO ORDER

Chair Jan Sullivan called the meeting to order at 9:36 a.m. on Thursday, February 22, 2018, at the University of Hawai'i at Hilo, 'Imiloa Astronomy Center of Hawai'i, Moanahoku Hall, 600 'Imiloa Place, Hilo, HI 96720.

Quorum (13): Chair Jan Sullivan; Vice Chair Ben Kudo; Vice Chair Randy Moore; Regent Simeon Acoba; Regent Brandon Marc Higa; Regent Wayne Higaki; Regent Michael McEnerney; Regent Jeffrey Portnoy; Regent Lee Putnam; Regent Douglas Shinsato; Regent Michelle Tagorda; Regent Ernest Wilson Jr.; and Regent Stanford Yuen.

Excused (2): Regent Eugene Bal; and Regent Norma Doctor Sparks.

Others in attendance: President/Interim UH-Mānoa (UHM) Chancellor David Lassner; Vice President for Legal Affairs/University General Counsel Carrie Okinaga; Vice President for Academic Planning & Policy Donald Straney; 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-Hilo (UHH) Chancellor Marcia Sakai; UH-West O'ahu (UHWO) Chancellor Maenette Benham; UHM Vice Chancellor for Research/Interim Vice Chancellor for Academic Affairs Michael Bruno; Windward Community College (WinCC) Chancellor Douglas Dykstra; Executive Administrator and Secretary to the Board of Regents Kendra Oishi; and others as noted.

II. PUBLIC COMMENT PERIOD

Executive Administrator and Secretary to the Board Kendra Oishi announced that the Board Office received late written testimony and comment from Christine Soresen Irvine, Chair of the UHM Faculty Senate Executive Committee, regarding whether the positions of System president and UHM Chancellor should remain separate, be joined, or have a Vice President position at the UH System for UHM; and advocating for progress in improving UHM's buildings & grounds so students and faculty and staff can study and work in an environment appropriate for a world-class university. No individuals had signed up to give oral testimony.

III. REPORT OF THE PRESIDENT

President Lassner started by thanking Ka'iu Kimura, Executive Director of the 'Imiloa Astronomy Center, for hosting the board meeting and then provided a report highlighting the following:

Hawai'i Graduation Initiative (HGI)

- Noted that enrollment for UH System has been in the news, there have been initiatives on every campus, and a full presentation on the Systemwide enrollment plan will be at the March Academic & Student Affairs Committee meeting. A summit was held last month regarding how UH can better serve adults, a segment of the population that has not been looked at systemically. The community colleges sent out over 1,000 letters to students identified as being close to completing an associate degree and offering the first class for free, which resulted in approximately 10% of those students returning. UH is also looking at improving the experience for transfer students and will be holding UH Transfer Day events at the various community colleges to assist students who are interested in transferring to UHM, UHH or UHWO, which will be coupled with a no application transfer offer. In addition, UHM has extended to all community colleges the Ka'ie'ie degree pathway program, a dual-admission, dual-enrollment program for students who are pursuing a four-year undergraduate degree but choose to start their degree at the community colleges.

Hawai'i Innovation Initiative (HII)

- Camilo Mora, UHM associate professor of geography, has published some of the most cited papers in the world around climate change. In 2016, Professor Mora's undergraduate methods class produced a paper on climate change that was ranked as the 3rd most influential climate change paper of 2017, one of the top 100 cited papers of 2017 of all papers in all disciplines.

High Performance Mission-Driven System (HPMS)

He shared examples of UH's commitment to sustainability and being a leading model indigenous serving institution.

- The Hawaiian language translation of the *Moana* movie. UHM students are participating in the movie providing voices for some of the characters; sound is being recorded done at HonCC's Music & Entertaining Learning Experience (MELE) sound studio under the supervision of faculty member Jon Ross; Chris Lee, System Director of the Academy of Creative Media (ACM) is overseeing the project as Executive Producer; Heather Giugni and Sharla Hanaoka of UHWO are producers; Aaron Salā of UHWO serves as the musical director; Puakea Nogelmeier of UHM's Hawai'inuiākea School of Hawaiian Knowledge is lead on the translation of the script from English to Hawaiian; Kumu Tammy Haili'opua Baker of UHM's Theater & Dance Department is overseeing casting and directing dialog; and UHM ACM graduate Kaliko Mai'i is associate producer.
- The 6th Annual Hawai'i Sustainability in Higher Education Summit was held at HawCC's Pālamanui campus. Four years ago, this group helped develop the board's sustainability policy, and a lot of terrific work has been since as noted in the Annual Report on Sustainability at UH provided at the January board meeting. Approximately 20 awards were presented recognizing student, faculty & staff initiative, innovation, creativity and civic engagement in campus and community sustainability with cash prizes totaling more than \$40,000, all of which were supported by industry and external supporters. The focus of this summit

was curriculum, and the processes and progress made is due to bringing people together from across the UH system, especially faculty, sharing insights about how to teach about climate change and sustainability. In 2016, O'ahu voters approved amending the City Charter to create a five member Climate Change Commission with UHM faculty members Makena Coffman serving as Chair, Chip Fletcher as Vice Chair, and Rosanna Alegado as a member.

- UHWO and UHH were recognized by CollegeValuesOnline.com as having two of the top five sustainable agriculture degree programs in the country in terms of quality and affordability.

President Lassner recognized Gene Harada, Hawai'i Community College Carpentry professor and longtime coordinator of the highly popular Model Home Project on the Big Island, who was honored with the 2017 Willard Wilson Award for Distinguished Service.

Report of the Host Campus

Interim UHH Chancellor Sakai welcomed everyone to campus and provided a slide presentation on UHH's strategic directions & strategies related to being a High Performance Mission-Driving System (HPMS), 21st Century Facilities (21CF), and Hawai'i Graduation Initiative (HGI). Highlights included efforts and work UHH was undertaking: as an indigenous serving institution through Ka Haka Ula O Ke'elikōlani College of Hawaiian Language, 'Imiloa Astronomy Center, and Kīpuka Native Hawaiian Student Center; as a leader in sustainability in the areas of energy, food procurement, and social places; and UHH performance compared to HGI metrics for student success including degrees & certificates awarded, the 2018-2021 enrollment management plan, student engagement & retention efforts, academic programming & career pathways, and employment & earning outcomes for graduates.

Chancellor Sakai also provided an update on behalf of UHH Faculty Congress (UHHFC) and Chair Jan Ray regarding the initiatives the UHHFC has approved or that are in progress under HGI to help student success; and under HPMS to assure self-governance, and develop policies, procedures, requests, and guidelines.

IV. COMMITTEE & AFFILIATE REPORTS

A. Report from the Committee on Independent Audit

Committee Chair McEnerney summarized the committee report. He noted an error in the original report and a revised report was distributed to the regents indicating the review of UHM ASUH financial statements was done by the Office of Internal Audit and not Accuity. No additional comments or questions from the board were raised.

B. Report from the Committee on Planning and Facilities

Committee Chair Yuen summarized the committee report. No additional comments or questions from the board were raised.

C. Report from the Committee on Research and Innovation

Committee Vice Chair Yuen summarized the committee report. No additional comments or questions from the board were raised.

D. Affiliate Reports

There were no affiliate reports for February.

V. ITEMS FOR DISCUSSION & APPROVAL

A. For Action

1. Consent Agenda:

- a. **Minutes of the January 25, 2018 Meeting**
- b. **Approval of an Indemnification Provision to Allow the University of Hawai'i to Accept Subcontracts from the STScI**

Chair Sullivan indicated that the minutes of the January 25, 2018 meeting were being deferred as they were not able to be provided to the board in time, and will be taken up at the next board meeting.

Vice Chair Moore moved to approve Item V.A.1.b. of the consent agenda, seconded by Regent Wilson, and the motion carried unanimously.

2. **Conveyance of UH Mānoa College of Tropical Agriculture and Human Resources Waialeale Research Station Property to the State Agribusiness Development Corporation situated at Waialeale, Koolauloa, O'ahu, City and County of Honolulu, and designated as a tax map key nos. (1) 5-8-001:013, (1) 5-8-001:055, (1) 5-8-001:007, and (1) 5-8-001:006**

VP Young requested board approval and authorization to convey property currently under title to UH to the Hawai'i State Agribusiness Development Corporation (ADC). The property is situated at Waialeale, on the North Shore of O'ahu, and is currently under the administration of the College of Tropical Agriculture & Human Resources (CTAHR). The property encompasses four separate parcels totaling in the aggregate approximately 132 acres spanning both sides of Kamehameha Highway. He reviewed background information on UH acquired ownership of the property, and how CTAHR has utilized the property. Due to budget constraints, the property has not been properly utilized as in the past, and has presented a potential liability on the part of UH for inactivity and non-use. The property also has a number of issues related to kuleana lands, however, UH maintains that the lands set aside by Governor's Executive Order No. 1848 issued on May 16, 1958, are owned in fee simple by the university. There are non-authorized occupants on the property who have accessed UH-installed utilities, and UH subsequently cut off service since there is very minimal, if any, presence or utilization of the property. Two UH groundskeepers/caretakers are housed on the property, and ADC will accommodate them by providing enough time to transition off the property as part of this transfer. ADC intends to utilize the property to advance its statutory mandate to encourage the development of diversified agriculture in the state,

which is a consistent approach to the original intended mandate that CTAHR had been trying to advance.

Administration is recommending this transfer because it is a better utilization of the property, and would result in diminishing the liability and risk for UH in terms of maintaining the property. CTAHR and ADC have been working on coordinating the transfer of this property for a number of years, and there is legislative support for this transfer via a budget proviso that passed the Legislature last year providing a \$6 million capital appropriation to CTAHR contingent upon the transfer of this property to ADC. Administration requested board approval of the conveyance of the property conditioned upon the terms identified in the major term sheet provided in the action memo, and board authorization for the president and vice president for budget & finance/chief financial officer to continue further negotiation and execution of the transfer, contingent in part upon ADC agreeing to the transfer. Administration clarified that legislative approval is not required and also confirmed with the Board of Land and Natural Resources (BLNR) that no action was required by BLNR since the property was acquired via a pre-statehood executive order, which means the transfer could be executed through quitclaim deed.

A request was made to refer this matter the Committee on Planning & Facilities for full discussion before returning to the board for approval and what impact that would have on administration. VP Young explained that administration was agreeable to the referral if desired, but requested that the committee meet as soon as possible. There are some tactical reasons for getting approval sooner rather than later, but there is not a level of urgency requiring the transfer be approved today. It was noted that the Executive branch is executing a multi-agency approach to clear and sweep the property of non-authorized users in order to get it into a condition that is minimally agreeable to ADC, but the referral would not delay those efforts. If approved, administration would like to time the transfer in such a way there are minimum requirements on behalf of UH to maintain and secure the property at its cost after the sweep and before the transfer.

Chair Sullivan noted that this agenda item came up at the last minute and indicated that it would be helpful to look at RP 10.201, Land & Physical Facilities, which sets six criteria that the board should be evaluating, and have these criteria addressed during the committee discussion.

Discussion was held regarding the need for the proposal to be studied further, and whether given the valuation of the land, if the university was giving up an asset that was worth more because of its location or less because of the presence of kuleana claims.

Regent Putnam made a motion to defer this matter for further discussion by the Committee on Planning & Facilities, Regent Wilson seconded the motion, and the motion carried unanimously.

B. For Information & Discussion

1. Legislative Update

VP Young provided an update on measures and priority issues that UH is following at the Legislature, reflecting the status of legislation as of February 21, 2018. He provided a comparison chart showing the difference between the UH board-approved budget proposal for an additional \$16.8 million in general funds and in the Governor's budget submittal for an additional \$6.7 million in general funds. The Governor specifically appropriated \$700,000 for the Hawai'i Promise Program, and agreed to allow UH administration to distribute the remaining items included in the board of request. He provided a comparison chart showing the difference between the UH board-approved Capital Improvement Project (CIP) proposal for \$269 million and outcome in the Governor's budget submittal for \$120 million, which is the second largest departmental capital funding in the budget next to the Department of Education. The Governor specifically appropriated \$20 million for the UHM Sinclair Library renovation, and support for the overall lump sum funding approach on capital funding. The five major subject areas for bills of interest are 2018 are the UH legislative package of bills, Hawai'i Promise, Board of Regents/Governance, UH operations, and Maunakea. VP Young also provided explanations of the legislative deadlines.

Questions were raised regarding the bill introduced requiring the Public Utilities Commission (PUC) to open up a docket on microgrid; the status of House Bill No. 848 from last year; and UH or any program within UH was identified in the bill regarding allocation of transient accommodations taxes (TAT).

VP Young indicated he would check on the bill requiring the PUC to open a docket on microgrid. House Bill No. 848 made it through to conference committee last year, and could potentially move from there. Regarding the TAT, previous discussions identified UH athletics as the beneficiary of TAT funding.

VI. ANNOUNCEMENTS

Chair Sullivan announced that the next board meeting is March 22, 2018 at Kapi'olani Community College.

VII. ADJOURNMENT

There being no further business, Regent Higa moved to adjourn, and Vice Chair Moore seconded, and with unanimous approval, the meeting was adjourned at 11:04 a.m.

Respectfully Submitted,

/S/

Kendra Oishi
Executive Administrator and Secretary
to the Board of Regents