

Minutes of the
NIU Board of Trustees
FINANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
November 16, 2006

CALL TO ORDER AND CALL ROLL

The meeting was called to order by Chair Robert Boey at 10:15 a.m. in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Sharon Banks-Wilkins conducted a roll call of Trustees. Members present were Trustees Cheryl Murer and Myron Siegel and Chair Boey (via teleconference). Not present were Trustees George Moser and Manuel Sanchez. Also present were Board Chair Barbara Giorgi Vella, Trustee Marc Strauss, Student Trustee Andrew Nelms, Committee Liaison Eddie Williams, President John Peters and Board Parliamentarian Kenneth Davidson. With a quorum present, the meeting proceeded.

Parliamentarian Ken Davidson asked that Chair Vella, Trustee Strauss and Student Trustee Nelms be added to those present for the purposes of a quorum.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Confirmation of Open Meetings Act notification compliance was given by Board Parliamentarian Ken Davidson.

MEETING AGENDA APPROVAL

Chair Boey asked for a motion to approve the agenda as amended. Trustee Murer made a motion to approve the agenda. It was seconded by Trustee Vella. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Murer and seconded by Trustee Vella to approve the minutes of September 7, 2006. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

On today's agenda, Chair Boey said, we have ten items that will be presented for action and five information items. Our action items include an approval for a Request for Proposal for the exciting new Proton Therapy Treatment and Research Center, the proposal for Phase VII in our Energy Improvement Performance Contract, three items for the Housing for Students with Dependents project, a request from the Illinois Department of Transportation, a budget authorization request for the Financial Aid Office Renovation Project, a revision to the Parking Lot W Capital Project and two Procurement amendments. Our information items include our Semiannual Progress Report on Active Capital Projects, the Quarterly Summary Report of Transactions in excess of \$100,000, a Periodic Report on Investments, a Housing for Students with Dependents Project Update and Proposed Committee Meeting Dates for 2007.

The Chair recognized the University Advisory Committee representatives to this committee, Dr. Paul Stoddard and Dr. Xueshu Song. Once again, Dr. Stoddard said, I would like to welcome the Board to campus, and note that this week UAC will not have the opportunity to meet more informally with the Board after the formal meeting. But I do want to point out that UAC values that opportunity and looks forward to being able to do that after meetings in the future.

At this point, Chair Boey welcomed Trustee Sanchez to the meeting via teleconference.

PUBLIC COMMENT

The Chair asked Board Parliamentarian Kenneth Davidson if any members of the public had registered a written request to address the Board in accordance with state law and the Board of Trustees Bylaws. Mr. Davidson noted that no timely requests for public comment had been received.

UNIVERSITY RECOMMENDATIONS

Agenda Item 7.a. – Northern Illinois Proton Therapy Treatment and Research Center

Dr. Williams asked Dr. John Lewis to present the item on the Northern Illinois Proton Therapy Treatment and Research Center.

I would like to give you a brief update on the proton therapy treatment and research facility, where we are on funding and a timeline for the project, Dr. Lewis said. We have recently received notification of a \$3.3 million planning grant from the Department of Defense. We are in the process of writing the official proposal for that money, and it will be available for use in planning purposes for the proton facility. We also anticipate about \$15 million in FY07, \$15 million in FY08 and \$10 million in FY09. There have been preliminary conversations, and we are comfortable that the state will also help us with capital money for equipment for the proton facility with approximately \$4 million in FY08, \$6.5 million in FY09, \$6.5 in FY10 and the final \$3 million in FY11. So, state and federal funding for the facility and equipment for the building, will be around \$60 million. We also are in the planning processes for the building. We expect the building will be build-to-suit and would be leased back by the university. It will be located in the DuPage Technology Park in West Chicago, Illinois on the south end of the park very close to FermiLab.

We have consultants from M.D. Anderson in Houston, TX with us here today, Amy Hay, CEO of the ProBeam facility at M.D. Anderson, and Mitch Latinkic, Chairman of the Department of Radiation Oncology. They have been working with us for the last several months putting together a market and feasibility study. This project is somewhat different than most construction projects in the sense that the equipment has to be identified first and the building constructed around it, because depending upon who the equipment vendor is, the configuration of the building has to change. So, we are in the process of trying to identify an equipment vendor out of only five vendors in the world that provide the accelerating equipment necessary for this facility. We hope to send the bids out right after the first of the year. A technical review committee will be reviewing those bids from March through most of the summer. From an equipment perspective, this is a \$50 million project. Selection of an architectural and engineering firm should take place in the spring of 2007, and by fall 2007, we should have the process in place. We would like to have a contract with an equipment vendor by December of 2007, break ground in the spring of 2008, begin the equipment installation in the spring of 2009, start commissioning the equipment in the spring of 2011 and begin treatment in the fall of 2011.

For clarification, Dr. Williams said, this item is for approval to issue an RFP. It is for the development of the technical specifications for the proton facility. And this is covered through the \$3.5 million that we have in hand.

I cannot begin to express my personal pride and excitement regarding this whole project, Chair Boey said. I view this as a new frontier for NIU. The excitement and the potential going into the future and what it means to the university is immeasurable. I want to thank both Trustees Murer and Strauss for spearheading it for us, but I know that all of us are involved in this. It seems not too long ago when we all first discussed this, and here it is coming to fruition. So, thank you all so much for your involvement.

Chair Boey asked for a motion to approve the issuance of an RFP for the development of technical specifications for the proton facility. Trustee Murer so moved, seconded by Trustee Vella. Parliamentarian Ken Davidson recommended that a roll call vote be taken. The Chair called for a roll call, which was as follows:

Trustee Murer	Yes	Trustee Vella	Yes
Trustee Sanchez	--	Chair Boey	Yes

The motion was approved.

Agenda Item 7.b. – Energy Infrastructure Improvements – Phase VII Performance Contract

As an institution, Dr. Williams said, we have been very fortunate, given the constraints in our capital budget, to have the opportunity to undertake certain capital improvements creating energy savings and increasing our efficiency for things we otherwise would not have the funds to perform. Before you today is our next performance contract request, which includes several buildings, including Anderson Hall, Cole Hall, Dorland Building, DuSable Hall, the Engineering Building, Gable Hall, Graham Hall and the Heating Plant, with a number of different types of activities, including replacement of windows, sensors for lights, water conservation and so forth. Again, there is no capital outlay for these. The contract specifies that the vendor puts up all capital and recoups their investment through the energy savings that are generated.

I am still amazed about these contracts, even though we have used them many times before, Chair Boey commented. But to be able to do this without any capital up front is remarkable. We all think this is a great plan, Trustee Vella said, and we are very appreciative of Dr. Williams and his office for promoting this kind of thing to bring our infrastructure up to date.

The Chair then asked for a motion to approve the Phase VII Performance Contract for Energy Infrastructure Improvements. Trustee Vella so moved, seconded by Trustee Murer. The motion was approved.

Agenda Item 7.c. – Naming of Housing for Students with Dependents

Consistent with the request by the President to name the development of housing for students with dependents, Dr. Williams said, the name that has been chosen is Northern View Community. In accordance with Board *Regulations*, we come to request approval.

I think it is a great name, Student Trustee Nelms said, and we are all very excited about the project. The groundbreaking was a few weeks ago, and I think this is going to be a fine addition to the already existing options for campus housing.

Chair Boey asked for a motion to approve Northern View Community as the new name for housing for students with dependents. Trustee Vella so moved, seconded by Trustee Murer. The motion was approved.

Agenda Item 7.d. – Housing for Students with Dependents – Temporary Access Easement

Agenda Item 7.e. – Housing for Students with Dependents – Temporary Construction Easement

In order for the developer and contractor to have full access to the site, Dr. Williams said, and to have the authority to perform improvements, the Board must extend various easements. Agenda Item 7.d. is approval of a temporary access easement which allows the contractor/developer to access the development.

Agenda Item 7.e., Dr. Williams said, is for the actual construction of the improvements. This gives an easement to the contractor and the developer to actually construct the improvements on the site.

Chair Boey asked for a motion to approve the Temporary Access Easement and Temporary Construction Easement for Housing for Students with Dependents. Trustee Vella so moved, seconded by Trustee Murer.

Parliamentarian Davidson recommended a roll call for this item. The Chair called for a roll call vote, which was as follows:

Trustee Murer	Yes	Trustee Vella	Yes
Trustee Sanchez	--	Chair Boey	Yes

The motion was approved.

Agenda Item 7.f. – Illinois Department of Transportation Property Easement and Transfer

There is a need to extend a warranty deed and temporary construction easement to the Illinois Department of Transportation (IDOT), Dr. Williams said. This is in conjunction with the widening of Lincoln Highway near the bridge just south of the East Lagoon area. The amount of land requested for the widening project extends approximately three or four feet. IDOT has negotiated with the residents on the south side of Lincoln Highway; and, because we are fellow state entities, they came to NIU and asked if we would be willing to extend this property for that project. We have reviewed this through our Physical Plant and our planning staffs, and we think this is an excellent improvement. Also added as part of the transmittal of the warranty deed was, Dr. Williams said, if in fact the improvements are not made for whatever reason, then the transference of the deed will not be valid. Therefore, we ask the Board to concur and approve the warranty deed of the expanded area for the roadway and a construction easement that would allow IDOT on NIU property as they make these improvements. Chair Boey asked for a motion to approve the IDOT Property Easement and Transfer. Trustee Murer so moved, seconded by Trustee Vella. Upon the Parliamentarian’s recommendation, the Chair called for a roll call vote, which was as follows:

Trustee Murer	Yes	Trustee Vella	Yes
Chair Boey	Yes		

The motion was approved.

Agenda Item 7.g. – Office of Financial Aid Remodeling Budget Authorization

The Financial Aid area in Swen Parson Hall is in need of remodeling in order to give students more privacy as they speak with Financial Aid counselors, Dr. Williams explained. At this point, walk-up service windows are used for these discussions. This is certainly not an acceptable design. We would like to pretty much mirror the improvements we made for the Bursar’s Office, which provided smaller rooms for direct consultation and conferencing between students and the staff at the Bursar’s Office. Funding will be provided from local funds through the university. Chair Boey asked for a motion to approve the Office of Financial Aid Remodeling Budget Authorization. Trustee Vella so moved, seconded by Trustee Murer. The motion was approved.

Agenda Item 7.h. – Construction of Parking Lot W Capital Project Revision

This is another construction project for the paving of Parking Lot W, which is located just west of Annie Glidden Road, Dr. Williams said. This is a rock-based parking lot. Also, there is a roadway that extends through that parking lot, eventually ending on Annie Glidden. We want to repave the lot with the appropriate base and pave the gravel roadway. As part of this project, we would also like to ask contractors to bid on the paving of Lot X as well. So Lot X will be included only if funds are available to proceed with that project. Chair Boey asked for a motion to approve the capital project revision for the construction of Parking Lot W. Trustee Murer so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 7.i. – Fiscal Year 2007 Biological Sciences Research Project Amendment

This is for the extension of a grant in the Biological Sciences, which NIU is working on in conjunction with Yale University, Dr. Williams said. The grant process includes adding an amendment to the base grant to cover Fiscal Year 2007. Chair Boey asked for a motion to approve the FY07 Biological Sciences Research Project Amendment. Trustee Murer so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 7.j. – Fiscal Year 2007 Student Accident and Sickness Insurance Amendment

This amendment to the student accident and sickness insurance is a result of the fact that we had over a thousand more students sign up for the insurance program over and above what had been projected for this fiscal year, Dr. Williams said. The insurance is covered by the fees paid by the students who receive the insurance coverage, so this is a pass-through. Chair Boey asked for a motion to approve the FY07 Student Accident and Sickness Insurance Amendment. Trustee Vella so moved, seconded by Trustee Murer. The motion was approved.

Chair Boey had to leave the meeting at this point and turned the chair over to Committee Vice Chair Murer.

UNIVERSITY REPORTS

Agenda Item 8.a. – Semiannual Progress Report of Active Capital Projects with a Budget Over \$100,000

The only thing I would point out on the semiannual progress report on capital projects is that we put in bold the number of projects we have on hold based upon the release of appropriated funds from the state of Illinois, Dr. Williams said. Otherwise, the report simply outlines the status of many of our existing projects and where we are in closing them out.

Agenda Item 8.b. – Quarterly Summary Report of Transactions in Excess of \$100,000

By Board policy, Dr. Williams said, the President of the university has the authority to approve transactions up to \$250,000, and those transactions between \$100,000 and \$250,000 must be reported to the Board. The attached list of Quarterly Summary of Transactions in Excess of \$100,000 gives a summary of those projects.

Agenda Item 8.c. – Periodic Report on Investments

On page 31 of our report, Dr. Williams said, I would like to point out that we have received a return of about 4.7 percent, which is very good in today's market considering the terms available on money market or savings accounts. And, remember that our investment strategy is limited by state statute, which in turn limits the return that we are able to generate. I commend our staff on obtaining a very good return on the investments that we have made consistent with the statute.

Agenda Item 8.d. – Housing for Students with Dependents Project Update

Because members of our committee are not present today, Dr. Williams said, we will not have a presentation on the housing for students with dependents. But we hope to have a short presentation at the full Board meeting in December, at which time the Board will be given an opportunity to see the site plans and designs and have an opportunity to talk with the architects regarding the project.

Agenda Item 8.e. – Proposed Board of Trustees Committee Meeting Dates for 2007

These are the proposed 2007 meeting dates for the Finance, Facilities and Operations Committee. It is a challenging schedule, because the March 8 meeting would be the one in which we would discuss fees and possibly tuition. That is quite early in our normal schedule, but this date meets the requirements for the full Board meeting.

OTHER MATTERS

I would like to say that I am excited about the Northern View Community, President Peters said. In reply to a question from Trustee Murer, Dr. Williams stated that the goal is to have the facility completed for fall 2007. So we hope to have students in occupancy by this time next year. And if it is not completed for some reason, there is provision for the students. We are going to maintain the existing housing for students with dependents until the new construction has been completed. We anticipate a waiting list and hope to have the facility ready so that it will not affect us by some students having to enter into year leases with other subdivisions.

NEXT MEETING DATE

The next meeting date for the Finance, Facilities and Operations Committee is scheduled for March 8, 2007.

ADJOURNMENT

Vice Chair Murer asked for a motion to adjourn. Trustee Vella so moved, seconded by Trustee Murer. The motion was approved. The meeting was adjourned at approximately 11:39 a.m.

Respectfully submitted,

Sharon M. Banks-Wilkins
Recording Secretary