

5-27-1998

Minutes, May 27, 1998

Follow this and additional works at: http://digitalcommons.uconn.edu/bot_agendas

Recommended Citation

"Minutes, May 27, 1998" (1998). *Agendas and Minutes*. 161.
http://digitalcommons.uconn.edu/bot_agendas/161

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF TRUSTEES**

THE UNIVERSITY OF CONNECTICUT

Held at the University of Connecticut at Storrs
Bishop Center, Storrs, Connecticut

May 27, 1998

The meeting was called to order at 9:05 a.m. by Chairman Roger A. Gelfenbien. Trustees present were: Mmes. Bailey, Berry, Ferris, Leonardi; Messrs. Abromaitis, Bellafiore, Collins, Downey, Heist, Jacobs, Napolitano, and Mr. Ellef who represented the Governor's Office.

Trustees Berkley, Cicchetti, Saslow, Sergi, Smith, and Treibick were absent from the meeting.

University staff present were: President Austin, Chancellor and Provost for University Affairs Emmert; Vice Presidents Allenby and Jones, Vice Chancellor for Student Affairs and Services Triponey, Vice Chancellor for Business and Administration Dreyfuss, Vice Chancellor for Academic Administration Maryanski, Attorney Shapiro and Dr. Schurin. Chancellor and Provost for Health Affairs Cutler participated by telephone.

All actions taken were by unanimous vote of the Trustees present, except as otherwise noted. All members of the Board noted above were present at this time.

The following members of the public addressed the Board on the topics noted:

Caroline Miner, President	Tuition Freeze for Fiscal Year 1998-99
Graduate Student Senate	

When provided, copies of individual public statements are attached to the file copy of the Board minutes.

A. The Report of the Chairman included the following items:

1. On a motion by Mrs. Berry, seconded by Ms. Leonardi, **THE BOARD VOTED** to approve the **Amendment to Article XIV, A. (Membership) of the University of Connecticut Laws and By-Laws, Twelfth Edition Revised, 1995**. A copy of Attachment 1 is attached to the file copy of the Board minutes.
2. Chairman Gelfenbien called upon Vice Chancellor Dreyfuss to discuss the **FY 1998-99 Tuition Rates**. He reported that the Legislature approved a tuition freeze for the next fiscal year and appropriated contingent funds to balance the University's operating budget. Vice President Jones stated that this recommendation will rescind the 3.0% tuition increase that was approved at the July 11, 1997 Board meeting.

May 27, 1998

Trustee Bellafiore asked how the 3% rescission would affect students at both the Schools of Law and Social Work. Vice Chancellor Dreyfuss stated that the budgets of the schools and colleges have already been determined; therefore, the operating budgets would not be affected. On a motion by Mr. Downey, seconded by Mr. Bellafiore, **THE BOARD VOTED** to approve the **FY 1998-99 Tuition Rates (rescinding the increase approved on July 11, 1997)**. A revised copy of **Attachment 2** was presented at the meeting and is attached to the file copy of the Board minutes.

3. Chairman Gelfenbien called upon Chancellor and Provost Cutler to report on The University of Connecticut Health Center's contract with the Capitol Area Health Consortium for fiscal year 1998-99. Chancellor Cutler noted that this agreement was established several years ago to ensure a standard rate of pay and benefits to all medical residents in the participating hospitals and health care facilities noted under **Attachment 3**. On a motion by Dr. Jacobs, seconded by Ms. Leonardi, **THE BOARD VOTED** to approve the **Health Center Contract-Capitol Area Health Consortium Contract**. A copy of **Attachment 3** is attached to the file copy of the Board minutes.
4. Chairman Gelfenbien called upon Vice President Jones to discuss the **Fourth Supplemental Indenture**. Vice President Jones reported that the University is entering into the fourth year or the completion of Phase I of UConn 2000. He indicated that UConn 2000 initially authorized \$382 million for construction projects in Phase I, and the Board approved \$317 million over the past three fiscal years. This year's authorization is for the balance of \$64 million. Consistent with previous practice, the University will continue to finance these projects and borrow funds as needed.

Vice President Jones then described the bond authorization process noted under **Attachment 4**. He indicated that the Board must approve this Indenture in order to authorize the allotment of \$64 million, which will enable the University to enter into contracts with vendors.

Chairman Gelfenbien asked if the Bond Commission had to approve the bonds. Vice President Jones responded that the University, in conjunction with the Governor, has the authority to approve the bonds. Subsequent to Board approval, this request will be submitted to the Governor who is authorized to veto it within thirty days.

Trustee Downey thanked Vice President Jones and his staff for their efforts in ensuring the success of the bond expenditures.

May 27, 1998

Trustee Jacobs asked Vice President Jones if he expected the University to benefit from another year of successful bond sales and if the University would advertise the bonds this year. Vice President Jones stated that the University's effective advertising programs and seminars for retail investors set a record for retail sales in Connecticut last year and that the University will continue to advertise in order to reach new investors this year. On a motion by Ms. Leonardi, seconded by Mr. Downey, **THE BOARD VOTED** to approve the **Fourth Supplemental Indenture Authorizing University of Connecticut General Obligation Bonds, 1998, Series B**. A copy of Attachment 4 is attached to the file copy of the Board minutes.

5. The Chairman called upon Vice Chancellor Dreyfuss to discuss the **1998-99 Capital Budget** request that was distributed to the Trustees as a handout at the meeting. Trustee Leonardi asked Vice Chancellor Dreyfuss to briefly review the identified UConn 2000 projects so that the Board could hold a discussion. Vice Chancellor Dreyfuss began his discussion by informing the Board that the Capital Budget must be approved in order to begin contracting with vendors. He outlined three bond requests noted from the handout, which include the following: 1) \$5,909,054 in previously authorized state bonds, 2) \$64,311,000 in UConn 2000 general obligation bonds, and 3) \$30,000,000 in UConn 2000 special obligation bonds. These bonds are targeted for the continuation of renovation projects and for new construction.

Vice Chancellor Dreyfuss further noted that the third request for Special Obligation Bonds is new. The University previously used revenue bonds that were issued for the supplemental financing of South Campus. The University has been encouraged by the State Treasurer to consider using its authority in the future for other self-financing projects.

Vice Chancellor Dreyfuss noted that two projects will be self-financing. The first project will be for a second parking garage. The Legislature approved the construction but not the funding; therefore, the University must support this endeavor through self-generated funds. Construction cannot begin until sufficient revenue is raised from parking operations. Vice Chancellor Dreyfuss stated that the current parking garage is generating occupancy ahead of schedule; therefore, construction on the second garage should be considered.

The second self-financing project is for new Greek housing on Gilbert Road and north of the campus on Route 195. Vice Chancellor Dreyfuss indicated that the annual leases by the Greek Society Chapters will produce sufficient income to service the debt for the construction of new housing.

May 27, 1998

Trustee Abromaitis asked if the University had plans for the current Greek houses. Vice Chancellor Dreyfuss noted that the University hired a consultant to prepare a proposal to the State Historical Commission regarding the Greek houses on campus. He further noted that some of the buildings may be converted for other use. The President stated that the houses located on Route 195 will conform to Master Plan architectural design requirements but those on Gilbert Road, adjacent to South Campus, are not consistent with the Master Plan, nor are they suitable for congregate living. Although the President advocates compliance with the State Historical Commission and will entertain suggestions from the local community, he emphasized his concern about student safety and recommended an immediate relocation effort.

Trustee Leonardi noted the need for budget approval before the Board finalizes the University's financial plan. Vice Chancellor Dreyfuss clarified that the Board must authorize the budget before the University can spend funds to begin design work on any new projects.

Mr. Ellef asked for more clarification regarding the \$15 million needed for new Greek housing. He asked if the \$15 million covered new construction, renovations, or demolition of the Gilbert Road structures. Vice Chancellor Dreyfuss stated that the bond request is reserved for new housing only. In addition, Mr. Ellef requested more detailed information relating to the specific demolition and renovation costs of the current structures.

Trustee Napolitano asked whether the Board reviewed design plans for new housing units in relation to the on-campus student population. He noted that it would be helpful for the Board to visualize the progress made before approving new construction. Vice Chancellor Dreyfuss agreed with Trustee Napolitano and indicated that plans would be available for the Board to review in the near future, but at this time the University has proposed a financial model for the Board's approval.

Trustee Leonardi asked if the projects being completed under the previously authorized state bonds were critical to the successful completion of the new projects. Vice Chancellor Dreyfuss cited that some projects will be impacted if additional funding is not approved.

Trustee Jacobs noted that the Board has had many discussions about on-campus parking. He queried the administration about their expectations for the second garage and whether or not it would accommodate a pedestrian campus or aggravate the current parking problems. Vice Chancellor Dreyfuss indicated that the second parking garage would satisfy the University's needs in spite of the loss of core parking this summer on Fairfield Road and in Dow Field. In sum, parking will be diverted to the periphery of campus and to the two parking garages.

Mr. Ellef asked for more specific information about the projects outlined under the \$64 million proposal. In addition, he questioned whether or not the projects previously approved over the last three years had to be completed before new construction begins. Vice Chancellor Dreyfuss indicated that the University does not have to complete previously authorized projects before new projects can begin.

Chairman Gelfenbien asked for more details regarding the \$64 million projects. He concluded that the Board would consider approving funding for specific projects after more information is gathered in the Budget Workshop. Trustee Downey supported the Chairman's request for additional information.

Trustee Leonardi agreed that the Board should delay consideration of the two new projects (South campus parking and the Greek housing), but should act on the projects that have ample documentation.

Because of the numerous concerns raised by several Board members, Chairman Gelfenbien asked the Board to consider a change in date of the next Board meeting from July 10 to July 19 and July 20, which will be reserved for a combined budget workshop and board meeting.

Trustee Napolitano asked if it would appropriate to have an update on University Weekend at the July meeting. The President agreed to provide a brief update and reminded the Board that he asked Chancellor Emmert to assemble a council to discuss University Weekend when the students return in the fall.

On a motion by Ms. Leonardi, seconded by Mr. Downey, **THE BOARD VOTED** to recess the meeting and to begin the Budget Workshop at 9:53 a.m.

Chairman Gelfenbien adjourned the Budget Workshop and reconvened the Board Meeting at 2:03 p.m.

The 1998-99 Capital Budget was distributed to the Trustees at their places. On a motion by Mr. Downey, seconded by Ms. Leonardi, **THE BOARD VOTED** to add the **1998-99 Capital Budget** to the Board agenda. A copy of the **Handout** is attached to the file copy of the Board minutes.

The Chairman called upon Vice Chancellor Dreyfuss to briefly outline this year's list of projects. Vice Chancellor Dreyfuss reiterated that the University is in the fourth and final year of Phase I of UConn 2000. The University is obligated to provide a progress report to the Legislature. At the end of Phase I, the Legislature has the authority to terminate UConn 2000. Vice Chancellor Dreyfuss is confident that the Legislature will support the continuation of UConn 2000 because the University has completed many projects on time and within the projected budget allotments.

Chairman Gelfenbien asked if the Board had to authorize the full amount (\$100,220,054) in order to initiate new projects. Vice Chancellor Dreyfuss indicated that the Board did not have to approve the full amount. He did, however, request that the Board approve projects outlined under the \$64 million proposal. Chairman Gelfenbien further questioned whether or not the Board could approve a specific spending amount from the \$64 million. Vice Chancellor Dreyfuss indicated that a lesser amount could not be approved without reducing the capital budget authorization for the entire year.

Trustee Downey made a request for more specific information regarding the projects.

Chairman Gelfenbien proposed to delay approval of the \$100 million proposal but would consider a partial allotment to initiate critical projects and asked that the administration provide more details at the July meeting.

Trustee Downey asked that the \$30 million needed to support the Parking Garage South and Greek Housing requests be held until the Board reviews further documentation.

Trustee Leonardi reminded the Board that they have delayed the progress of many projects already and concluded that the administration should prioritize specific projects for the Board to consider at this meeting. Vice Chancellor Dreyfuss outlined the most imminent summer projects, which are all part of the Pedestrian Mall; they include construction of a shuttle way by Gulley Hall and an underground steam tunnel, which will service the new Schools of Business and Pharmacy buildings.

Chairman Gelfenbien asked how much funding would be required to complete these projects. Trustee Heist further commented upon the direction of the Board discussion and stated that the Board has no oversight over UConn 2000 Projects.

The Chairman called for a motion to approve the **1998-99 Capital Budget with the exception of the UConn 2000 Special Obligation Bonds totaling \$30,000,000**. On motion by Mr. Downey, seconded by Ms. Leonardi, **THE BOARD VOTED** to approve the **1998-99 Capital Budget with the exception of the UConn 2000 Special Obligation Bonds totaling \$30,000,000**. A copy of the **Handout** is attached to the file copy of the Board minutes.

Trustees Jacobs and Downey expressed concern regarding the receipt of the capital budget requests on the day of the meeting. They concluded that they could not make an informed decision on the requests for next year.

Trustee Collins asked if the Parking Garage South and Greek Housing bond authorizations would be held until the July meeting.

8181
May 27, 1998

Trustee Leonardi suggested that the administration put together a packet of information that provides an overview of the Master Plan in conjunction with UConn 2000, including progress reports of current projects. The Chairman agreed that this would be helpful for the July meeting.

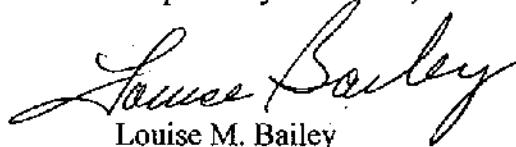
Trustee Collins asked Board members to seriously consider the Greek Housing and South Campus Parking issues for discussion at the July meeting. Chairman Gelfenbien noted this request and asked Vice Chancellor Dreyfuss to add documentation to the packet of information noted above.

Chairman Gelfenbien expressed his appreciation for Student Trustee Bellafiore's dedication and commitment to student issues for the past two years and noted that a formal recognition will be made at the July meeting.

The Chairman noted that the next meeting of the University of Connecticut Board of Trustees would be held in conjunction with a Budget Workshop session on Sunday, July 19 and Monday, July 20, 1998 at a location to be announced.

No further business appearing, the Board meeting was adjourned at 2:20 p.m.

Respectfully submitted,



Louise M. Bailey
Secretary