

**SPECIAL VIDEOCONFERENCE MEETING  
BOARD OF REGENTS  
NEVADA SYSTEM OF HIGHER EDUCATION**

Building D, Room D-101  
College of Southern Nevada  
6375 West Charleston Blvd., Las Vegas  
System Administration Conference Room  
2601 Enterprise Road, Reno  
Berg Hall, Great Basin College, Elko  
9:00 a.m., Thursday, May 1, 2008

Members Present:

Mr. Michael B. Wixom, Chair  
Mr. Howard Rosenberg, Vice Chair  
Mr. Cedric Crear  
Dr. Thalia M. Dondero  
Mrs. Dorothy S. Gallagher  
Dr. Jason Geddes  
Mr. Ron Knecht  
Mr. Steve Sisolak

Members Absent:

Mr. Mark Alden  
Dr. Stavros S. Anthony  
Mr. James Dean Leavitt  
Dr. Jack Lund Schofield  
Mr. Bret Whipple

Others Present:

Chancellor James E. Rogers  
Executive Vice Chancellor Daniel Klaich  
Executive Vice Chancellor & CEO, UNHSS, Maurizio Trevisan  
Vice Chancellor, Academic & Student Affairs, Jane Nichols  
Vice Chancellor, Finance, Mike Reed  
Chief Counsel Bart Patterson  
Interim President Michael D. Richards, CSN  
President Stephen Wells, DRI  
President Paul Killpatrick, GBC  
Interim President Delores Sanford, TMCC  
President David B. Ashley, UNLV  
President Milton D. Glick, UNR  
President Carol A. Lucey, WNC  
Chief Executive Officer of the Board Scott Wasserman

Also present were faculty senate chairs Ms. Judy Stewart, CSN and Dr. Stephen Rock, UNR  
Student government leaders present included Mr. Taylor Gray, CSN.

Chair Michael B. Wixom called the meeting to order at 9:00 a.m., on Thursday, May 1, 2008,  
with all members present except Regents Alden, Anthony, Leavitt, Schofield and Whipple.

1. Approved – Appointment, President, CSN (Agenda Item #1)- On behalf of the CSN President Search Committee, Regent Steve Sisolak requested the approval of the appointment of Dr. Michael D. Richards, as recommended on April 24, 2008, by the Regents' CSN President Search Committee to be President of the College of Southern Nevada. The proposed salary and terms of the contract were identified at the Board meeting (*handouts on file in the Board office*).

Regent Sisolak reported that CSN began an extensive national search in September 2007 using the assistance of search consultant Ms. Marti Cizek from the firm Cizek Associates, Inc. The search resulted in an excess of fifty candidates expressing an initial interest in the position. Potential candidates were interviewed and thoroughly vetted by the search consultant and the field was narrowed to five highly qualified individuals. The Regents' Committee met with the CSN Institutional Advisory Committee, comprised of CSN faculty, administrators, students and community representatives to conduct interviews of the five candidates.

The Committees then identified their top three candidates and invited them back to participate in campus forums held at each of CSN's three main sites. In addition, the candidates had a chance to meet with Chancellor Rogers. The Committees heard a report from the search consultant regarding the campus forums. Following the report, the Committees conducted in-depth interviews of the final three candidates. There was agreement among the Regents' Committee and the Institutional Advisory Committee that the three finalists were all exceptional candidates. Upon a review of the qualifications of each finalist candidate, the Institutional Advisory Committee unanimously recommended to the Regents' Committee the appointment of Dr. Michael D. Richards for the position of President of the College of Southern Nevada. The Regents' Committee unanimously accepted this recommendation.

Regent Sisolak moved approval to appoint Dr. Michael D. Richards as President of CSN. Regent Crear seconded.

Regent Sisolak thanked Ms. Keri Nikolajewski and Ms. Nancy Stone of the Board of Regents' office for their assistance and support throughout the search process.

Regent Sisolak thanked the members of the CSN Institutional Advisory Committee for their time and commitment to the search process. Chair Wixom added that the search process provides the Regents the opportunity to learn more about the institutions.

Executive Vice Chancellor Klaich reported that the contract terms include a base salary of \$210,000 (*effective May 1, 2008*), car allowance of \$8,000 per fiscal year; housing allowance of \$12,000 per fiscal year and host account of \$5,000 per fiscal year. The contract period is for four years plus two months (*through June 30, 2012*). The Chancellor and Dr. Richards also discussed tenure within the appropriate department at CSN.

1. Approved – Appointment, President, CSN (Agenda Item #1) - (Cont'd.)

Regent Sisolak commented on the extraordinary support shown for Dr. Richards throughout the interview process. Chair Wixom added that CSN continues to move forward in so many ways.

Regent Dondero asked if Dr. Richards agreed with the terms of the contract. Dr. Richards replied that he did.

Motion carried. Regents Alden, Anthony, Leavitt, Schofield and Whipple were absent.

President Richards thanked the Regents for their support and encouragement. He introduced his wife, Ms. Jan Richards, and stated that they looked forward to the continued opportunity to serve the campus and System.

2. Approved - 2009 Capital Improvement Priorities (Agenda Item #2) - A report was made by NSHE staff regarding the Capital Improvement Projects proposed for the 2009 Legislative Session. The report included a general overview of the establishment of system priorities. NSHE institutional Presidents also provided information on their proposed 2009 capital improvement program request. The Board approved the recommended Capital Improvement Project Priorities for the 2009 legislative session. This was the second hearing on the 2009 Capital Improvement Priorities, which were first presented at the March 26, 2008, special meeting of the Budget & Finance Committee. The 2009 Capital Improvement Priorities must be finalized at the June 2008 regularly scheduled meeting of the Board in order to comply with the State Public Works Board (SPWB) and Governor's Office timelines for the 2009 Legislative Session (Handouts on file in the Board office).

Executive Vice Chancellor Klaich stated that at the last Budget and Finance Committee meeting, each campus was able to present their projects to the Board and provide information on the relevance of those projects to their respective missions. The difficulty will come in combining this list into a bound report that can be recommended unanimously to the legislature and the Governor.

He reported that meeting materials submitted electronically to the Regents on April 25, 2008 (*on file in the Board office*), included:

- Guidelines for the consideration of capital projects.
- A list of capital projects submitted in, but not funded by, the last session of the Legislature. The list is presented in the order approved by the Board in 2006.
- A list of 2008 campus capital priorities for the 2009 Session (*in order*) as developed by the respective campuses. Although there are some minor differences between the unfunded priorities from last session and the priority listing for 2009, the lists remain largely identical.
- The final list represents the recommended priorities for the upcoming legislative session.

2. Approved - 2009 Capital Improvement Priorities (Agenda Item #2) – (Cont'd.)

Executive Vice Chancellor Klaich indicated a number of questions arose relating to the inter-relationship of SPWB and campus projects as well as “green” projects. Those questions were researched by Vice Chancellor Reed and Ms. Ginny Wiswell, Assistant Vice Chancellor of Finance, and a response was submitted electronically to the Regents on April 29, 2008 (*on file in the Board office*).

Executive Vice Chancellor Klaich referred to the Proposed 2009 Capital Improvement Project Priorities, pointing out that Priorities #1 and #2 are to renew construction funding for the two UNHSS projects that were reduced to planning funds only as a result of the recent budget reductions. Priority #3, Nursing & Science Building at NSC is critical to the Regents’ guidelines and is the only building for which NSHE received planning funds in the last session of the legislature. He noted that typically, NSHE has asked for planning funds for major projects which is consistent with the guidelines passed by the last session of the legislature.

Executive Vice Chancellor Klaich related that capital projects are typically funded in the System by a combination of available surplus dollars (*representing what the System has been given*) and backed up by general obligation bonds of the state (*representing what can be borrowed*). The System is aware that there will be no surplus dollars in this session. However, the indication from the Governor’s office is that there will be a capital improvement program in the 2009-2011 biennium that is backed by general obligation bonds. It has been discussed that if the state finds it necessary to borrow money in the form of bonds, the bonds will be supported by the ad valorem tax. Collections from the ad valorem tax are essentially outside of the general fund and other revenues used to support the operating budgets. They believe that there is room under the ad valorem tax cap, that there will be collections based on that room under the cap together with growth in the assessed valuation of properties in the state, to support a general obligation CIP program in 2009-11. Although the System knows that there will be no surplus funding, Executive Vice Chancellor Klaich did not feel this process was an effort in futility, adding that in the last two sessions, he and the Chancellor have worked hard to find champions for NSHE projects.

Executive Vice Chancellor Klaich related that Priority #15, Getchell Library Adaptive Re-use project, will allow UNR to take an excess of 100,000 square feet and re-use it for \$60.00 per square foot. He related that the initial \$14.2 million indicated in the meeting materials was reduced to \$10 million and asked Dr. Glick to address the rationale behind the revision. Dr. Glick replied that the project estimate was revised in light of the state’s financial situation.

Regent Dondero asked if the prioritizations were based on student population needs. Executive Vice Chancellor Klaich stated that this list was carried forward from the last biennium. Student need had been the most important factor used to establish priorities, adding that, at that time, the highest priorities in terms of growth-rates were at NSC and CSN.

2. Approved - 2009 Capital Improvement Priorities (Agenda Item #2) – (Cont'd.)

Regent Geddes noted that Campus Safety and Infrastructure was 36<sup>th</sup> on the list and asked why it was not considered to be more critical. Executive Vice Chancellor Klaich explained that there is a significant deferred maintenance backlog on every campus. Other than HECC/SHECC funds (\$15 million annually) distributed among the campuses, there is not an on-going identified program for funding deferred maintenance. Those projects could be placed at the top of the list but, in their judgment, they are not as politically viable and would likely not be funded.

Regent Geddes understood that new construction projects were more attractive to the funding process but questioned how safety, ADA compliance and fire sprinklers could not be a higher priority. He noted that maintenance was first on the SPWB list and asked if this should also be the System's first priority. As a Regent, he felt that those types of projects should be placed at the top of the list.

Regent Sisolak asked if Priority #3, Nursing and Science Building at NSC was the same project for which \$65 million was requested in the last session of the legislature. Executive Vice Chancellor Klaich indicated that it was the same building. Regent Sisolak asked why the estimated cost was reduced to \$40 million. Mr. Buster Neel, Vice President of Finance and Administration– NSC, replied that the reduction reflected the development of the UNHSS, adding that some of NSC's laboratory space was being moved to the new Shadow Lane complex.

Executive Vice Chancellor Klaich stated that the projected costs reflect the immediate needs of the campuses and the state's budget situation. He emphasized the importance of moving some of the programs to the Shadow Lane location because it will better utilize some of the high-cost equipment that is being installed at that location.

Regent Sisolak asked why NSC felt the amount they could raise is \$5 million less this year than last year. Mr. Neel related that NSC felt the need for caution given the previous steep fluctuation seen in the SPWB's per square foot cost of construction.

Regent Sisolak asked if the Board was going to develop a policy regarding the level of funds the campuses should be responsible for raising on their own projects. He pointed out that one of UNR's projects requires raising 10% of their project funds versus a project of UNLV's reflecting their need to raise 54%. Executive Vice Chancellor Klaich related that for that particular project, UNR's portion is FF&E, which can be difficult to raise private funds for, adding that UNR bore 100% of the cost of construction (*approximately \$70 million*).

Regent Sisolak asked which projects were delayed or used to balance the budget reduction. Executive Vice Chancellor Klaich replied those were Priorities #5 and #7. Regent Sisolak asked how it is fair to the other campuses that two of the institutions were allowed to move delayed projects to the top of the priority list.

2. Approved - 2009 Capital Improvement Priorities (Agenda Item #2) – (Cont'd.)

Executive Vice Chancellor Klaich stated that the relative placement on the list for the FF&E for the Davidson building is the same priority at which UNR came out of the last session unfunded. They had the same options as the other institutions in finding their budget reductions. However, in UNR's case, because they had a CIP appropriation from the last session which most campuses did not have, they essentially delayed use of the funds. Although the priority for this particular project had not changed, their other projects for new construction were moved further down the list.

Regent Sisolak questioned the fairness of allowing UNR to request refunding of a project that was cut in budget reduction process and not allowing the other campuses to do the same. Executive Vice Chancellor Klaich acknowledged that UNR had placed itself at significant risk. He related that UNLV had CIP funds for three smaller projects (*the Greenspun Building, Science and Engineering Building and the Student Services Annex*) that were reverted to meet their budget reduction targets. They felt they would either finish those projects without that money or that they would raise private funds. Each campus made individual decisions for their priorities. The System tried not to take their decisions out of order but also wanted to reflect a general fairness. He felt it was not entirely fair because not every campus had the exact same options to begin with. Regent Sisolak felt that it appeared one campus was rewarded for choosing to delay their project during the budget reduction process.

Executive Vice Chancellor Klaich related that, per the guidelines, priority be given to FF&E for previously funded projects, the Davidson building was not assigned a higher priority because there was a concern for general fairness.

President Glick related that the SPWB had requested the return of the Davidson building funds with the assurance it would be returned in the next session. In the last biennium the Board supported expansion of the Center of the Arts in the Church Building, and called attention to the lowering of that priority because they felt completion of the Davidson Math and Science Center was a higher priority than planning a new building. Given the current policies of the Legislature, this essentially means UNR will not present a new building for the next two biennia.

Executive Vice Chancellor Klaich emphasized that the budget reduction requests from the Governor have come in waves. In retrospect, UNR probably made a very good decision in reverting FF&E as part of their reduction plan because, based on what was seen of the last request for reductions, the funds may have been taken away without credit.

Regent Knecht stated that the fundamental point was that FF&E is given the highest priority.

Regent Geddes requested that Priorities #4, #18, #25, #26, #28 and #36 (*infrastructure and retrofit projects*) should be reprioritized starting at #3 through #8. He emphasized that life safety and retrofit projects for existing buildings should be of the highest priority.

2. Approved - 2009 Capital Improvement Priorities (Agenda Item #2) – (Cont'd.)

President Sanford related that the Investment Committee had tabled discussion of the Spanish Springs project and therefore TMCC was not able to meet the IFC's requirement for a recordable document. As a result, the \$500,000 that had been initially allocated for this project was used to meet their budget reduction targets.

Regent Geddes left the meeting.

President Wells stated that in regards to renovations for safety and health versus growth, DRI had to make a very difficult decision. He noted that their planning requests were in first tier, while the Boulder City Renovation was in the second tier and included some of the life safety retrofit. However, due to the low number of people served at that location, it was felt that it would be more appropriate to place it a slightly lower priority.

Chair Wixom asked Executive Vice Chancellor Klaich to review the methodology for prioritization and future actions. Executive Vice Chancellor Klaich indicated that the final list will be available at the June Board meeting. There may be some minor changes to the financials between now and June but there will be no change to the way in which the projects are prioritized.

Chair Wixom clarified that Board approval that day would be to establish priorities, not firm costs. The costs would be established at the June meeting. Executive Vice Chancellor Klaich concurred, adding that he expects the differences in cost to be relatively small.

Regent Sisolak referred to Priority #10, Henderson Public Services Facility for CSN, and asked why the communities involved were not participating in payment of the costs. Executive Vice Chancellor Klaich stated that traditionally, the System has not asked users to fund capital projects. They will certainly be asked to fund ongoing maintenance, just not initial construction costs. President Richards stated that, at this time, the project had been scaled back to the request for planning funds to allow more time for conversation between CSN and the communities of Henderson and North Las Vegas. Primarily those communities support the operating budget.

Chancellor Rogers asked President Richards to address the fire academy project. President Richards related that CSN is working with the City of Las Vegas for construction of a fire station on the Charleston campus and a joint-use facility for instruction. He highlighted the relationship between CSN and the City of Las Vegas, adding that the City of Las Vegas is paying for the bricks and mortar for this particular project.

President Ashley pointed out that perhaps too much was being read into the project titles, adding that all of the priorities were based on level of exposure and risk.

2. Approved - 2009 Capital Improvement Priorities (Agenda Item #2) – (Cont'd.)

Regent Knecht echoed President Ashley's comments, adding that decisions need to be made based on incremental value. He stated that, in his opinion, federal mandates do not rise to a high level until the federal government provides funding for the retrofits.

Regent Sisolak asked, for clarification, if #17, Center for the Arts, Planning at UNR, was specifically for performing arts program or for the Arts Department. Regent Rosenberg related that all arts-related programs are considered to be in the School of the Arts.

Regent Rosenberg moved approval of the recommended Capital Improvement Project Priorities for the 2009 Legislative Session as presented. Regent Dondero seconded. Motion carried. Regents Alden, Anthony, Geddes, Leavitt, Schofield and Whipple were absent.

Executive Vice Chancellor Klaich thanked Vice Chancellors Reed and Nichols and their staff as well as the Presidents and their staff for their hard work and cooperation in helping to prepare this information for the Board.

3. Information Only – Public Comment (Agenda Item #3) – None.

4. Information Only – New Business (Agenda Item #4) – None.

The meeting adjourned at 10:03 a.m.

Prepared by: Jessica Morris  
Administrative Assistant IV

Submitted for approval by: Scott G. Wasserman  
Chief Executive Officer of the Board of Regents

*Approved by the Board of Regents at the June 12-13, 2008, meeting*