

**BOARD OF REGENTS and its  
BUSINESS, FINANCE AND FACILITIES COMMITTEE**

Nevada State College  
Rogers Student Center, Ballroom  
1300 Nevada State Drive #300, Henderson

Thursday, March 3, 2022

Video Conference Connection from the Meeting Site to:  
System Administration, Reno  
2601 Enterprise Road, Conference Room  
and  
Great Basin College, Elko  
1500 College Parkway, Berg Hall Conference Room

Members Present:

Ms. Amy J. Carvalho, Chair  
Dr. Patrick R. Carter, Vice Chair  
Mr. Patrick J. Boylan  
Mr. Donald Sylvantee McMichael Sr.  
Dr. Lois Tarkanian

Members Absent:

Mr. Byron Brooks

Other Regents Present:

Mrs. Cathy McAdoo  
Mr. Joseph C. Arrascada  
Mrs. Carol Del Carlo  
Dr. Mark W. Doubrava  
Dr. Jason Geddes  
Ms. Laura E. Perkins

Others Present:

Dr. Melody Rose, Chancellor  
Dr. Constance Brooks, Vice Chancellor, Public Affairs and Advancement  
Mr. Caleb Cage, Vice Chancellor, Workforce Development  
Mr. Andrew Clinger, Chief Financial Officer  
Ms. Keri Nikolajewski, Interim Chief of Staff to the Board  
Mr. Joe Reynolds, Chief General Counsel  
Mr. Joe Sunbury, Chief Internal Auditor  
Dr. Federico Zaragoza, President, CSN  
Dr. Kumud Acharya, President, DRI  
Ms. Joyce M. Helens, President, GBC  
Dr. DeRionne P. Pollard, President, NSC  
Dr. Karin M. Hilgersom, President, TMCC  
Dr. Keith E. Whitfield, President, UNLV  
Mr. Brian Sandoval, President, UNR

Faculty senate chairs in attendance were: Dr. Julian Smit, CSN; Dr. Dave Rhode, DRI; Mr. Kevin Seipp, GBC; Dr. Samantha Jewell, NSC; Mr. Glenn Heath, SA; Dr. Virginia Irintcheva, TMCC; Ms. Shannon Sumpter, UNLV; Dr. Amy Pason, UNR; and Mr. Jim Strange, WNC. Student body presidents in attendance were: Ms. Yvette Machado, ASCSN President, CSN; Mr. Zachary Stamp, SGA President, GBC; Ms. Tessa Espinosa, NSSA President, NSC; Mr. John Fenton, SGA President, TMCC; Mr. Issac Hernandez, CSUN President, UNLV; Ms. Nicole Thomas, GPSA President, UNLV; Ms. Dionne Stanfill, ASUN President, UNR; and Mr. Matthew Hawn, GSA President, UNR. Classified council chairs in attendance were: Mr. Jon Carpineta, CSN; Ms. Tasha-Storla, GBC; Ms. Pamela Ball, NSC; Ms. Janet Bicker, TMCC; Ms. Deana Wilson, UNLV; Ms. Jill Short, UNR; and Ms. Amanda Godin, WNC.

Chair Carvalho called the meeting to order at 10:13 a.m. with all members present except Regent Brooks.

1. Information Only – Public Comment – None.
2. Approved – Consent Items – The Committee recommended approval of the Consent Items.
  - 2a. Approved – Minutes – The Committee recommended approval of the December 2, 2021, meeting minutes. *(Ref. BFF-2a)*
  - 2b. Approved – 2021 Self-Supporting Summer Session/Calendar Year Budgets, Budget to Actual Comparison – The Committee recommended approval of the 2021 Self-Supporting Summer Session and Calendar Year Budgets, Budget to Actual Comparison for the NSHE. *(Refs. BFF-2b(1) and BFF-2b(2) on file in the Board Office.)*
  - 2c. Approved – 2022 Summer Session/Calendar Year Budgets – The Committee recommended approval of the 2022 Self-Supporting Summer Session/Calendar Year Budgets. *(Refs. BFF-2c(1) and BFF-2c(2) on file in the Board Office.)*

Vice Chair Carter moved approval of the consent items. Regent Boylan seconded. Motion carried. Regent Brooks was absent.

3. Information Only – Second Quarter Fiscal Year 2021-2022 Fiscal Exceptions – The Second Quarter Fiscal Year 2021-2022 Report of Fiscal Exceptions of Self-Supporting Accounts was presented. *(Refs. BFF-3a and BFF-3b on file in the Board Office.)*

Chief Financial Officer Andrew Clinger highlighted the following Fiscal Exceptions:

- UNR ASUN Wolf Shop reported a deficit of \$1.375 million. ASUN estimates the entire debt will be eliminated by the end of FY 24 or 25.
- UNR ICA reported a deficit of \$4.8 million, including a carryover of \$2 million negative beginning balance due to the impact of COVID-19. In addition, UNR earmarked up to an additional \$2 million in FY22 in the event of further effects related to the pandemic.
- UNLV SOM reported a negative cash balance of approximately \$6.9 million.

3. Information Only – Second Quarter Fiscal Year 2021-2022 Fiscal Exceptions – (Continued)

- UNLV ICA reported a deficit of \$118,259.
- CSN Dental Faculty Practice reported a negative cash balance totaling \$690,901.

4. Information Only – Second Quarter Fiscal Year 2021-2022 Budget Transfers, State Supported or Self-Supporting Operating Budgets – NSHE institutions indicated there were no transfers between functional areas greater than \$500,000 during the Second Quarter Fiscal Year 2021-2022.

5. Approved – 2012A Bond Refunding – Resolution – The Committee recommended approval of a Resolution allowing NSHE, on behalf of UNLV and UNR, to issue up to \$24,070,000 of fixed-rate tax-exempt revenue refunding bonds to refinance the existing 2012A bonds for interest savings. *(Ref. BFF-5 on file in the Board Office.)*

Chief Financial Officer Clinger requested a bond refunding of up to \$24,070,000 in fixed-rate revenue refunding bonds. The exact amount is subject to change depending on market conditions. The bonds were to refinance prior NSHE bonds. The projects funded by the original bonds include UNLV student housing and UNR student housing and parking facilities. The savings from the refund will accrue back to these programs.

In response to a question from Regent Perkins about whether this increased the bond's length of time, Chief Financial Officer Clinger responded no that the length of time remains the same.

Vice Chair Carter moved approval of a Resolution allowing NSHE, on behalf of UNLV and UNR, to issue up to \$24,070,000 of fixed-rate tax-exempt revenue refunding bonds to refinance the existing 2012A bonds for interest savings. Regent McMichael seconded. Motion carried. Regent Brooks was absent.

6. Information Only – NSHE Real Property Inventory Report Calendar Year 2021 – Chief Financial Officer Andrew Clinger presented to the NSHE Real Property Inventory Report Calendar Year 2021. *(Ref. BFF-6 on file in the Board Office.)*

7. Approved – Lease Agreement Between UNLV on Behalf of the Kirk Kerkorian School of Medicine and 1701 Charleston, LLC for Property Located at 1701 West Charleston Boulevard – UNLV – The Committee recommended: 1) approval of the Lease for property located at 1701 West Charleston Boulevard, Suites 110/100, 190, 200, 220, 230, 250, 260, 270, 290, 400, 590, 670, Las Vegas, Nevada, also commonly known as Clark County Assessor Parcel Number 162-04-112-011; 2) that the Chancellor be granted authority to execute the Lease, and any ancillary documents, as deemed necessary and appropriate by the NSHE Chief General Counsel, in consultation with the Business, Finance and Facilities Committee Chair, to implement all terms and conditions associated with the Lease; and 3) that the Chancellor be granted authority to execute an amendment to the Cooperative Agreement between UNLV KSOM and UNR SOM to terminate the Cooperative Agreement. *(Ref. BFF-7 on file in the Board Office.)*

7. Approved – Lease Agreement Between UNLV on Behalf of the Kirk Kerkorian School of Medicine and 1701 Charleston, LLC for Property Located at 1701 West Charleston Boulevard – UNLV – (Continued)

University of Nevada, Las Vegas President Keith E. Whitfield requested approval of a Lease for 1701 W. Charleston Boulevard and that the Chancellor be authorized to exercise an amendment to the Cooperative Agreement between UNLV KSOM and UNR SOM to terminate the agreement. UNLV will now lease the space directly from the landlord. Under the Agreement, UNLV currently subleases ten suites. This new Lease will include the ten existing suites and four new suites that will add 9,166 square feet of space. In addition, UNLV plans to relocate existing administrative staff from 2040 West Charleston to the premises. The additional space will help support staff relocation and accommodate further staff growth. The Lease term will be 72 months with extension options. The rent for the 72 months is approximately \$8.2 million.

Regent McMichael moved approval of: 1) the Lease for property located at 1701 West Charleston Boulevard, Suites 110/100, 190, 200, 220, 230, 250, 260, 270, 290, 400, 590, 670, Las Vegas, Nevada, also commonly known as Clark County Assessor Parcel Number 162-04-112-011; 2) that the Chancellor be granted authority to execute the Lease, and any ancillary documents, as deemed necessary and appropriate by the NSHE Chief General Counsel, in consultation with the Business, Finance and Facilities Committee Chair, to implement all terms and conditions associated with the Lease; and 3) that the Chancellor be granted authority to execute an amendment to the Cooperative Agreement between UNLV KSOM and UNR SOM to terminate the Cooperative Agreement. Vice Chair Carter seconded. Motion carried. Regent Brooks was absent.

8. Approved – Approval to Proceed with a Potential Public-Private Sports and Events Center for Youth Development on Nevada State College Campus – NSC – The Committee recommended approval of a Non-Binding Memorandum of Understanding for a potential public-private collaboration that will construct and operate an athletics complex and events center on the Nevada State College campus. (Ref. BFF-8 on file in the Board Office.)

Nevada State College President DeRionne Pollard introduced Senior Vice President of Finance and Business Operations Kevin Butler. Senior Vice President Butler stated the MG52 Center contemplates developing community youth through athletics with wraparound services in education, health, and wellness, including mental wellness. The proposed Center will include an 8500-seat arena used for football, soccer, and other events. The Center will also have an indoor aquatic center with an Olympic-sized

8. Approved – Approval to Proceed with a Potential Public-Private Sports and Events Center for Youth Development on Nevada State College Campus – NSC – (Continued)

swimming pool. NSC benefits include ground-lease rents, expanded opportunities to bring the youth onto the campus, potential collaborations between academic departments, employment opportunities for students, intramural sports, and other events. In addition, the project can include additional infrastructures for the campus, such as roadways, sidewalks, lighting, and parking.

Senior Vice President Butler stated this type of project shows how the community and College can benefit. He introduced Morlon Greenwood, President of the Morlon Greenwood Foundation, and current President of the Las Vegas Chapter of the NFL Alumni Association.

Mr. Greenwood stated in 2015 he started the Morlon Greenwood Foundation Leadership and Mentorship Program for socio-economic disadvantaged adolescents. They strive to teach them the importance of education and staying on the right path by offering them the resources to be the best they can be.

Senior Vice President Butler stated NSC is looking for long-term solutions for managing and engaging these projects. In March 2021, NSC laid out a 5-step process for these types of opportunities, including:

1. Notify the Chancellor of the opportunity.
2. Develop a non-binding memorandum of understanding (MOU) to negotiate the terms of the project. Bring the MOU to the Board of Regents for discussion and potential approval.
3. Upon Board approval of the MOU, NSC will then collaborate with counsel to negotiate Implementation Agreements.
4. Bring completed Implementation Agreements back to the Board for approval.
5. Keep the Board and Chancellor engaged in the project's progress.

Today, NSC is asking for approval of the MOU for this project.

Vice Chair Carter believed this was a fantastic project. He asked if the project was contingent on the water tower. Senior Vice President Butler responded that NSC still must site the location but believes the project would be within the current pressure zone.

Vice Chair Carter moved approval of a Non-Binding Memorandum of Understanding for a potential public-private collaboration that will construct and operate an athletics complex and events center on the Nevada State College campus. Regent Boylan seconded.

Chair Carvalho stated partnerships are so important, and she looked forward to the next steps and seeing the benefits this will have for community youth.

Motion carried. Regent Brooks was absent.

9. Approved – Approval to Solicit Proposals to Establish a 501(c)3 Entity to Facilitate Public-Private Opportunities at Nevada State College – NSC – The Committee recommended approval to solicit proposals to assist in the formation of a 501(c)3 entity that will be created to facilitate public-private collaborations. (Ref. BFF-9 on file in the Board Office.)

Nevada State College President Pollard stated NSC is working on a concurrent pathway where the intent is to craft a broader framework that allows NSC to enter into more intentional partnerships with an expedited process and be responsive to the current economic environment.

Senior Vice President Butler stated NSC proposes to create a framework to access and engage these types of opportunities. NSC presents a scope of work to solicit for services to help create a 501(c)3 that will have the authority for the Board of Regents to enter leases within set parameters. NSC will solicit the services, create the organizational documents, and then bring them back to the Board of Regents for approval.

Regent McMichael moved approval to solicit proposals to assist in the formation of a 501(c)3 entity that will be created to facilitate public-private collaborations. Regent Boylan seconded. Motion carried. Regent Brooks was absent.

Chair Carvalho disclosed that she has known Mr. Cam Walker, Principal, American Public Development, LLC, for over 18 years. He is involved with the housing development project within Agenda Item 10 (Student Housing Refinance-NSC). Approximately 15 years before, she worked with Mr. Walker on a ballot question committee related to the sale of land owned by the City of Boulder City. He has also occasionally been a customer at her Boulder City 7-11. Before her role as Regent, they discussed local politics, and he endorsed her as a candidate for Regent. They have never discussed the housing development project, nor does she have a personal interest in it. Since she was elected Regent, she has not engaged in any political discussions with Mr. Walker. She has no business or other relationship with Mr. Walker, nor has she received any campaign contributions. Accordingly, she has no connection with him that would create a commitment in a private capacity to the interest of others, nor does she have a financial interest related to the housing development that would affect her independent judgment of a reasonable person in her position. She disclosed under NRS Chapter 281A, as recommended by the Nevada Commission on Ethics and upon the advice of NSHE General Counsel. Therefore, she will participate in the discussion and vote.

10. Approved – Student Housing Refinance – NSC – The Committee recommended approval of: 1) the modified Ground Lease; Ground Sublease; Recognition, Consent and Non-Disturbance Agreement; and the Subleasehold Deed of Trust related to the Nevada State College Housing Village refinance; and 2) authorizing the Chancellor to negotiate non-material revisions to the documents, with advice of Chief General Counsel, and to consent to the modified Indenture for the refinancing. (Ref. BFF-10 on file in the Board Office.)

Nevada State College President Pollard stated the current financial situation of the project had created a need to restructure the debt.

10. Approved – Student Housing Refinance – NSC – (Continued)

Senior Vice President Butler stated that the project opened during the pandemic when few face-to-face classes or services were offered. As a result, the project is nearing default status as defined by the Bond Indenture. Neither NSHE nor the College is at financial risk. However, the bondholders have requested a refinance. Current language in the implementation documents needs to be revised but must have the Board's approval.

Senior Vice President Butler introduced Mr. Michael Baird, Managing Director, RBC Capital Markets, LLC, to discuss refinancing. Mr. Baird stated RBC did not finance the project initially but was brought in to work with the existing investors to restructure the debt to stabilize the project. The project has very few occupancies and was delayed because of the pandemic. It is important to note that the bonds are not an obligation of the College, and the restructure is not looking for any additional financial support from the College. The restructure will incorporate a senior and subordinated bond structure, delaying the repayment of certain principles and extending the maturity by five years giving time to pay off the debt. The cost of capital is higher, but the risk is justified.

In response to a question from Regent Del Carlo related to what would happen if the Board did not approve this, Mr. Baird responded the project had used all its reserves, occupancy is low, so the project will continue to lose money until 2031 but would accrue more obligations until 2050. This restructure allows the project not to default and will enable it to fund the reserves.

Regent Del Carlo asked how many units there are and what the marketing plan is for the fall semester. President Pollard responded there are 342 beds and 40 percent are occupied. NSC has an aggressive set of milestones for the academic year to help position NSC for the fall. NSC recognized that the Village would not be full the first year. NSC also has been thoughtful in potential partnerships that will help the project's occupancy level.

Special Counsel Michael B. Wixom stated it is important to understand that there are ground lease remedies available to NSHE if there is a financial issue. He clarified the College and NSHE are at no risk. This is just a proactive way to craft a solution, so the project does not default.

Regent Boylan commended President Pollard and the NSC for their efforts.

Regent McMichael moved approval of: 1) the modified Ground Lease; Ground Sublease; Recognition, Consent and Non-Disturbance Agreement; and the Subleasehold Deed of Trust related to the Nevada State College Housing Village refinance; and 2) authorizing the Chancellor to negotiate non-material revisions to the documents, with advice of Chief General Counsel, and to consent to the modified Indenture for the refinancing. Regent Boylan seconded. Motion carried. Regent Brooks was absent.

11. Information Only – New Business – None.
12. Information Only – Public Comment – None.

The meeting adjourned at 10:54 a.m.

Prepared by:

Angela R. Palmer  
Special Assistant and Coordinator  
to the Board of Regents

Submitted for approval by:

Keri D. Nikolajewski  
Interim Chief of Staff  
to the Board of Regents

***Approved by the Board of Regents at its June 9 & 10, 2022, meeting.***