

**BOARD OF REGENTS and its
BUSINESS, FINANCE AND FACILITIES COMMITTEE**
University of Nevada, Reno
Joe Crowley Student Union, Milt Glick Ballrooms B & C
87 West Stadium Way, Reno

Thursday, June 8, 2023

Video Conference Connection from the Meeting Site to:
System Administration, Las Vegas
4300 South Maryland Parkway, Board Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present:

Mrs. Amy J. Carvalho, Chair
Mr. Patrick J. Boylan, Vice Chair
Ms. Heather Brown
Mr. Jeffrey S. Downs
Dr. Lois Tarkanian

Other Regents Present:

Mr. Joseph C. Arrascada, Board Vice Chair
Dr. Michelee Cruz-Crawford
Ms. Laura E. Perkins

Others Present:

Mr. Dale A.R. Erquiaga, Acting Chancellor
Ms. Patty Charlton, Acting Vice Chancellor, Academic and
Student Affairs and Community Colleges
Mr. Andrew Clinger, Chief Financial Officer
Ms. Keri Nikolajewski, Interim Chief of Staff to the Board
Ms. Carrie L. Parker, Deputy General Counsel
Mr. Alejandro Rodriguez, Director of Government Relations
Mr. Michael B. Wixom, Special Counsel for Real Property
Dr. Federico Zaragoza, President, CSN
Dr. Kumud Acharya, President, DRI
Ms. Joyce M. Helens, President, GBC
Dr. DeRionne Pollard, President, NSC
Dr. Karin M. Hilgersom, President, TMCC
Dr. Keith E. Whitfield, President, UNLV
Mr. Brian Sandoval, President, UNR
Dr. J. Kyle Dalpe, President, WNC

Faculty senate chairs in attendance were Ms. Tracy Sherman, CSN (*Chair, Council of Faculty Senate Chairs*); Mr. Patrick Villa (*incoming CSN Chair*); Dr. Brittany Kruger, DRI; Mr. David Sexton, GBC; Dr. Molly Appel, NSC; Mr. Ed Boog, SA; Dr. Bill Robinson, UNLV; Dr. Eric Marchand, UNR; Dr. Peter S. Reed (*incoming UNR Chair*); and Ms. Rachele Bassen, WNC. Student body presidents in attendance were Mr. Pio Rejas, ASCSN President, CSN; Mr. Kevin Osorio Hernández, NSSA President, NSC; Ms. Alexia Rivera Perez (*NSSA Vice President*); Mr. Brayson Gomez, SGA President, TMCC; Ms. Makayla Franklin, CSUN President, UNLV; Ms. Morgan Dunbar (*CSUN Vice President*); Ms. Nicole Thomas, GPSA President, UNLV; Mr. Boris

Carpio Guerra, ASUN President, UNR; Mr. Matthew Hawn, GSA President, UNR; Ms. Suzanna Stankute, ASWN President, WNC (*Chair, Nevada Student Alliance*); and Ms. Alyssa Butler, (*ASWN Vice President*).

Deputy Attorney General Craig M. Burkett was also in attendance.

Land Acknowledgment

Before beginning, we take a moment to recognize that here in Nevada we stand on the land of the Wa She Shu – Washoe; Numu – Northern Paiute; Nuwe – Western Shoshone; and Nuwu – Southern Paiute. We take a moment to recognize and honor their stewardship that continues into today. With this recognition, we state an intention to rightfully include their voice and respect them as the 27 sovereign tribal nations of Nevada.

Chair Carvalho called the meeting to order at 11:01 a.m. with all members present.

1. Information Only – Public Comment

The following individuals provided in-person or written public comment in support of the UNR College of Business building:

- College of Business Advisory Board, George F. Holman (*COB Advisory Board Letter to BOR*)
- Kendell Lambert

2. Approved – Minutes – The Committee recommended approval of the March 9, 2023, meeting minutes. (*Ref. BFF-2 on file in the Board Office.*)

Vice Chair Boylan moved approval of the March 9, 2023, meeting minutes. Regent Downs seconded. Motion carried.

3. Information Only – Third Quarter Fiscal Year 2022-2023 Fiscal Exceptions, Self-Supporting Budgets – The Third Quarter Fiscal Year 2022-2023 Report of Fiscal Exceptions on Self-Supporting Budgets was presented. (*Refs. BFF-3a and BFF-3b on file in the Board Office.*)

Chief Financial Officer Andrew Clinger highlighted the following:

- The University of Nevada, Reno, ASUN Wolfshop reported a deficit of \$697,153.
- The College of Southern Nevada reported a negative cash balance for the Dental Faculty Practice (DFP), totaling \$823,820.
- The Nevada State College Early Childhood Education Center reported a deficit of \$46,134.
- Desert Research Institute reported a negative cash balance of \$28,183.
- Great Basin College reported a negative cash balance of \$15,565.
- The University of Nevada, Las Vegas, School of Medicine (UNLV SOM) reported a negative cash balance at the end of the third quarter totaling approximately \$2.2 million.

Chair Carvalho clarified that Regent Downs provided the second on Item 2, Minutes.

4. Information Only – Third Quarter Fiscal Year 2022-2023 Budget Transfers, State Supported or Self-Supporting Operating Budgets – The Third Quarter Fiscal Year 2022-2023 Report of Budget Transfers of State Supported or Self-Supporting Operating Budget Funds between Functions was presented. *(Refs. BFF-4a and BFF-4b on file in the Board Office.)*

Chief Financial Officer Clinger highlighted the following:

- The University of Nevada, Las Vegas School of Medicine (UNLV SOM) reported a transfer totaling \$900,000.
- The University of Nevada, Reno reported a transfer totaling \$560,000.

5. Information Only – NSHE Las Vegas System Administration Office Parking Lot Improvements – Chief Financial Officer Andrew Clinger presented an overview of the upcoming construction of parking lot improvements at the Las Vegas System Administration Office. *(Ref. BFF-5 on file in the Board Office.)*

In response to a question from Vice Chair Boylan related to cost, Chair Carvalho pointed out that the fiscal note says NSHE’s anticipated reimbursement cost for the improvements is \$350,000.00, which includes design fees, plan check fees, and NSHE’s proportional fees for management and inspection.

6. Approved – Re-Budget Appropriated Instructional Funds in the UNR Med State Budget – UNR – The Committee recommended approval to re-budget and direct appropriated instructional funds in Budget Account 2982 – UNR School of Medicine – to fund an annual increase in the Interlocal Contract between UNR and the State of Nevada and authorized the University to request State of Nevada Board of Examiners and Interim Finance Committee of the Legislature approval, as necessary, to reflect the updated budget allocation. *(Ref. BFF-6 on file in the Board Office.)*

University of Nevada, Reno President Brian Sandoval presented a request to use instructional funds to re-budget and direct appropriated instructional funds to fund an annual increase in the Interlocal Contract between UNR and the State of Nevada and to authorize the University to request State of Nevada Board of Examiners and Interim Finance Committee of the Legislature approval, as necessary, to reflect the updated budget allocation.

UNR Med Executive Associate Dean Melissa Piasecki provided further details of UNR’s request.

Regent Brown stated that Nevada is historically among the lowest states for federal grant dollars and funding. It is a great way to increase healthcare access. This is a win for the community, school, hospital, and Nevada.

Acting Chancellor Erquiaga echoed Regent Brown’s comments.

6. Approved – Re-Budget Appropriated Instructional Funds in the UNR Med State Budget – UNR – (Continued)

Regent Brown moved approval to re-budget and direct appropriated instructional funds in Budget Account 2982 – UNR School of Medicine – to fund an annual increase in the Interlocal Contract between UNR and the State of Nevada and authorized the University to request State of Nevada Board of Examiners and Interim Finance Committee of the Legislature approval, as necessary, to reflect the updated budget allocation. Regent Tarkanian seconded. Motion carried.

7. Approved – College of Business Building Third Party Development Project Phase One – Development Agreement, Ground Lease, Building Sublease, Associated Direct Agreements, Letter of Representations, and Related Disclosures – Resolution – UNR – The Committee recommended approval of a Resolution approving and authorizing the Chancellor to execute the following documents related to this transaction: 1) the Development Agreement; 2) the Ground Lease; 3) the Sublease; 4) the Direct Agreements; 5) the Letter of Representations for Bond Purchase Agreement; and 6) authorizing the Chancellor and University President, or their designees, to execute such certificates of incumbency, factual statements and affirmations, and other ancillary documents required from NSHE in connection with the underlying bond financing. (Ref. BFF-7 on file in the Board Office.)

University of Nevada, Reno President Sandoval presented a Resolution approving and authorizing the Chancellor to execute the documents related to the College of Business building.

UNR College of Business Dean Greg Mosier stated this building is an opportunity to contribute to the economic development and skilled workforce for both the state and region. The design of this building will make the College of Business competitive with its peers.

Geoff Striker, Senior Managing Director, Edgemoor Infrastructure and Real Estate, provided an overview of the company and partners working on the project, transaction structure, approach to financing, and construction and outreach efforts that they have undertaken.

In response to a question from Regent Perkins about brick-buying fundraising opportunities, UNR President Sandoval responded yes, the choice will be made available.

Board Vice Chair Arrascada asked if Edgemoor would focus on Nevada labor. Mr. Striker stated he was confident there would be Nevada-based participation because outreach ensured that Nevada knew of the opportunity.

Board Vice Chair Arrascada complimented Edgemoor on its outreach to the university community.

7. Approved – College of Business Building Third Party Development Project Phase One – Development Agreement, Ground Lease, Building Sublease, Associated Direct Agreements, Letter of Representations, and Related Disclosures – Resolution – UNR – (Continued)

UNR Vice President of Finance and Administration and Project Manager Vic Redding addressed the fiscal impact statement and the financial aspects of the transaction, specifically the source of funds for the lease obligation. Vice President Redding stated no new student or differential fees are being proposed to fund the design or construction of the building. The only fee revenue associated with this lease is part of the existing capital improvement fee. UNR will fund the lease payment up to \$10.25 million a year and fixed for the life of the agreement as follows:

- New revenue associated with the ground lease and revenue-generating activities of the hotel conference center
- New philanthropic and a historic gift totaling approximately \$100 million
- Backstop the cash flow and income earnings up to \$1.9 million for the next four years
- Existing capital improvement fee

Regent Brown asked for further clarification on the \$50 million legacy gift. Vice President Redding noted that UNR was a mining royalty claim recipient. The mine didn't produce anything for decades, but a few significant events happened in the last few years. The University had never run the property but leased it to a private mining corporation. The mine operator also bought the adjoining sections that allowed them to run a large-scale mine. This mining claim has generated monthly royalty revenues over the past three to four years. Working with the Foundation, they have developed a model and roadmap for future projects. UNR will take the accumulated proceeds of the historic gift and put it into an investment in the Foundation into a perpetual quasi-endowment. The basic model will invest the royalties in the Foundation's perpetual fund. The University can then use the unrestricted income toward the lease payment. In 30 years, when the bonds are fully serviced, the University and Foundation will still have the corpus of the historic gift.

Vice Chair Boylan clarified there would be no new student fees, with Vice President Redding responding yes.

In response to Regent Perkins' question about whether the building will have green technology, Vice President Redding was confident in the LEED Gold standard.

Acting Chancellor Erquiaga underscored this clever deal and recognized Vice President Redding on the financing explanation. On behalf of the System Office, he thanked Vice President Redding for his service to NSHE.

Board Vice Chair Arrascada asked for clarification on the revenue sources coming from the hotel. Vice President Redding stated a hotel conference center proposal is expected in the fall. UNR is in discussion with major franchises. The market analysis supports a conference-level business traveler hotel as seen at UNR's aspirational peer institutions. The parcel supports approximately 150-175 hotel rooms.

7. Approved – College of Business Building Third Party Development Project Phase One – Development Agreement, Ground Lease, Building Sublease, Associated Direct Agreements, Letter of Representations, and Related Disclosures – Resolution – UNR – (Continued)

UNR Foundation Chair Ann Morgan stated the UNR Foundation’s Executive Committee voted to support this project and committed to the goal of raising \$100 million solely to support this initiative. Because of UNR’s gift, they are already halfway to the goal. The Foundation has identified naming opportunities in the building and will also add bricks to be sold. The Foundation also affirmatively voted to backstop the lease payments. The building will be a cornerstone of the University and for the students.

Regent Brown moved approval of a Resolution approving and authorizing the Chancellor to execute the following documents related to this transaction: 1) the Development Agreement; 2) the Ground Lease; 3) the Sublease; 4) the Direct Agreements; 5) the Letter of Representations for Bond Purchase Agreement; and 6) authorizing the Chancellor and University President, or their designees, to execute such certificates of incumbency, factual statements and affirmations, and other ancillary documents required from NSHE in connection with the underlying bond financing. Regent Tarkanian seconded.

Chair Carvalho stated this is a complex and unique transaction. She thought this would be an interesting case study for Dean Mosier and the students.

Motion carried.

Chair Carvalho thanked Vic Redding for his participation in this transaction. He has been an integral part of NSHE, and she thanked him for his service to UNR.

8. Approved – Request to Submit Vacation Application for Land and Improvements Owned by Clark County – Vacate East Harmon Avenue and Public and Traffic Facility Easements – UNLV – The Committee recommended submitting a request to Clark County to vacate ownership of the Vacation Area, bearing Clark County Assessor Parcel Numbers 162-22-299-001 and 162-22-299-016, and portions of Parcels 162-22-203-001, 162-22-601-001 and 162-22-701-003; that the Chancellor be authorized to finalize, approve, and execute a Vacation Application and any other ancillary agreements required to implement the vacation including, but not limited to, conveyances, easements, and right of ways; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel’s request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize vacation of the Property. *(Ref. BFF-8 on file in the Board Office.)*

University of Nevada, Las Vegas President Keith E. Whitfield presented a request to Submit a Vacation Application for Land and Improvements Owned by Clark County – Vacate East Harmon Avenue and Public and Traffic Facility Easements – UNLV.

8. Approved – Request to Submit Vacation Application for Land and Improvements Owned by Clark County – Vacate East Harmon Avenue and Public and Traffic Facility Easements – UNLV – (Continued)

Regent Downs moved approval to submit a request to Clark County to vacate ownership of the Vacation Area, bearing Clark County Assessor Parcel Numbers 162-22-299-001 and 162-22-299-016, and portions of Parcels 162-22-203-001, 162-22-601-001 and 162-22-701-003; that the Chancellor be authorized to finalize, approve, and execute a Vacation Application and any other ancillary agreements required to implement the vacation including, but not limited to, conveyances, easements, and right of ways; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize vacation of the Property. Regent Brown seconded.

Regent Tarkanian disclosed and abstained as this relates to a personal family matter.

Special Counsel Michael B. Wixom clarified that Regent Tarkanian would recuse herself from the vote.

Motion carried. Regent Tarkanian abstained.

9. Approved – Communications License Agreement with Nexstar Media Inc., for Use of a Telecommunications Facility by KUNV – UNLV – The Committee recommended approval to enter into a ten year Communications License Agreement with Nexstar Media Inc. required to support KUNV broadcasting needs; that the Chancellor be granted authority to execute the License and any ancillary documents needed to implement the terms of the License; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize the License Agreement. (*Ref. BFF-9 and Supplemental Material on file in the Board Office.*)

University of Nevada, Las Vegas President Whitfield presented a request to enter into a ten-year Communications License Agreement with Nexstar Media Inc. required to support KUNV broadcasting needs.

Associate Vice President of Planning, Construction and Real Estate David Frommer thanked Chair Carvalho and Board staff for allowing the *Supplemental Material*. This is a continuation of an agreement that has been in place.

9. Approved – Communications License Agreement with Nexstar Media Inc., for Use of a Telecommunications Facility by KUNV – UNLV – (Continued)

Vice Chair Boylan moved approval to enter into a ten year Communications License Agreement with Nexstar Media Inc. required to support KUNV broadcasting needs; that the Chancellor be granted authority to execute the License and any ancillary documents needed to implement the terms of the License; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize the License Agreement. Regent Tarkanian seconded. Motion carried.

10. Approved – Request for Authorization to Sell Real Property Located at Silver Springs, Lyon County, Nevada – UNLV – The Committee recommended approval to sell Parcel 1 and Parcel 2, bearing Lyon County Assessor Parcel Numbers 015-111-05 and 015-111-06; that the Chancellor be authorized to finalize, approve, and execute a Purchase and Sale Agreement and any other ancillary agreements required to implement the sale of the Property including, but not limited to, conveyances, easements, and right of ways; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize sale of the Property. (Ref. BFF-10 on file in the Board Office.

University of Nevada, Las Vegas President Whitfield presented a request to sell Parcel 1 and Parcel 2, bearing Lyon County Assessor Parcel Numbers 015-111-05 and 015-111-06.

Regent Brown moved approval to sell Parcel 1 and Parcel 2, bearing Lyon County Assessor Parcel Numbers 015-111-05 and 015-111-06; that the Chancellor be authorized to finalize, approve, and execute a Purchase and Sale Agreement and any other ancillary agreements required to implement the sale of the Property including, but not limited to, conveyances, easements, and right of ways; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize sale of the Property. Regent Downs seconded. Motion carried.

9. Approved – Communications License Agreement with Nexstar Media Inc., for Use of a Telecommunications Facility by KUNV – UNLV – (Continued)

Special Counsel Wixom clarified that the motion included that the Chancellor be granted authority to execute the License and any ancillary documents needed to implement the terms of the License; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize the License Agreement.

Regents Boylan and Tarkanian both agreed.

11. Approved – Long-Term Lease Agreement with Leumi B, LLC. on Behalf of the Kirk Kerkorian School of Medicine at UNLV for Use of Space at 2724 N. Tenaya Way – UNLV – The Committee recommended approval of a long-term Lease Agreement with Leumi B, LLC on behalf of the Kirk Kerkorian School of Medicine at UNLV at 2724 N. Tenaya Way, Las Vegas, Nevada, bearing Clark County Assessor Parcel Number 138-15-710-011; that the Chancellor be granted authority to execute the Lease Agreement, any amendments, and any other ancillary agreements required to implement the Lease Agreement; and that all aforementioned agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize the Lease Agreement. (Ref. BFF-11 & Supplemental Material on file in the Board Office.)

University of Nevada, Las Vegas President Whitfield presented a long-term Lease Agreement with Leumi B, LLC on behalf of the Kirk Kerkorian School of Medicine at UNLV at 2724 N. Tenaya Way, Las Vegas, Nevada, bearing Clark County Assessor Parcel Number 138-15-710-011, that included a base rent increase of 18 percent.

Associate Vice President Frommer thanked Chair Carvalho and Board staff for indulging in last-minute changes to the long-term Lease Agreement that required the *Supplemental Material*. Surgical specialties require additional procedure rooms that the School of Medicine has not had before. The procedure rooms have specific requirements that increase the costs.

Regent Brown stated that anything that improves health care in Nevada is worth supporting.

Regent Brown moved approval of a long-term Lease Agreement with Leumi B, LLC on behalf of the Kirk Kerkorian School of Medicine at UNLV at 2724 N. Tenaya Way, Las Vegas, Nevada, bearing Clark County Assessor Parcel Number 138-15-710-011; that the Chancellor be granted authority to execute the Lease Agreement, any amendments, and any other ancillary agreements required to implement the Lease Agreement; and that all aforementioned

11. Approved – Long-Term Lease Agreement with Leumi B, LLC. on Behalf of the Kirk Kerkorian School of Medicine at UNLV for Use of Space at 2724 N. Tenaya Way – UNLV
– (Continued)

agreements shall be reviewed and approved by NSHE Chief General Counsel (or, at the Chief General Counsel's request, NSHE Special Real Property Counsel) in order to implement the terms and conditions required to finalize the Lease Agreement. Regent Downs seconded. Motion carried. Regent Boylan voted no.

12. Information Only – New Business – None.

13. Information Only - Public Comment – None.

The meeting adjourned at 12:26 p.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 September 8, 2023, meeting.