

**BOARD OF REGENTS* and its
INVESTMENT AND FACILITIES COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**

Student Union, Ballroom A
University of Nevada, Las Vegas
4505 S. Maryland Parkway, Las Vegas
Thursday, December 3, 2015, 3:30 p.m.

BOARD

ROLL CALL:

Mr. Rick Trachok, Chairman	_____
Mr. Michael B. Wixom, Vice Chairman	_____
Dr. Andrea Anderson	_____
Mr. Cedric Crear	_____
Dr. Mark W. Doubrava	_____
Mr. Robert M. Davidson	_____
Dr. Jason Geddes	_____
Mr. Trevor Hayes	_____
Mr. James Dean Leavitt	_____
Mr. Sam Lieberman	_____
Mr. Kevin C. Melcher	_____
Mr. Kevin J. Page	_____
Ms. Allison Stephens	_____

COMMITTEE

ROLL CALL:

Mr. Kevin C. Melcher, Chair	_____
Mr. Robert M. Davidson, Vice Chair	_____
Mr. Cedric Crear	_____
Dr. Jason Geddes	_____
Mr. Trevor Hayes	_____

In addition to the Investment and Facilities Committee, this meeting is noticed as a meeting of the Board of Regents to allow other Regents who may wish to attend to participate.

IMPORTANT INFORMATION ABOUT THE AGENDA AND PUBLIC MEETING

NOTE: Below is an agenda of all items scheduled to be considered. Notification is hereby provided that items on the agenda may be taken out of the order presented, two or more agenda items may be combined for consideration, and an agenda item may be removed from the agenda or discussion relating to an item on the agenda may be delayed at any time.

In accordance with the Board of Regents' Bylaws, Title I, Article V, Section 20, items voted on may be the subject of a motion to reconsider at this meeting. A motion to reconsider an item may be made at any time before adjournment of this meeting. Similarly, if an item is tabled at any time during the meeting, it may, by proper motion and vote, be taken from the table and thereafter be the subject of consideration and action at any time before adjournment of this meeting.

*The Board of Regents, at its regularly scheduled meetings, meets concurrently with its Committees (the Academic, Research and Student Affairs Committee; the Audit Committee; the Business and Finance Committee; the Cultural Diversity Committee; the Investment and Facilities Committee; and the Health Sciences System Committee). The Board's Committee meetings take place in accordance with the agendas published for those Committees. Regents who are not members of the Committees may attend the Committee meetings and participate in the discussion of Committee agenda items. However, action items will only be voted on by the members of each Committee, unless a Regent is temporarily made a

member of that Committee under Board of Regents' Bylaws, Title 1, Article VI, Section 6. The full Board of Regents will consider Committee action items in accordance with the Board of Regents' agenda published for the current or for a subsequent meeting.

In accordance with the Board of Regents' Bylaws, Title 1, Art. V, Section 13, a quorum may be gained by telephonic hookup.

Some agenda items are noted as having accompanying reference material. Reference material may be accessed on the electronic version of the agenda by clicking the reference link associated with a particular item. The agenda and associated reference material may also be accessed on the Internet by visiting the Board of Regents' website at:

<http://system.nevada.edu/Nshe/index.cfm/administration/board-of-regents/meeting-agendas/>

Many public libraries have publicly accessible computer terminals. Copies of the reference material and any additional support materials that are submitted to the Board of Regents' Office and then distributed to the members of the Board of Regents after the mailing of this agenda but before the meeting, will be made available as follows: 1. Copies of any such materials are available at the Board of Regents' Office at 2601 Enterprise Road, Reno, Nevada and the Board of Regents' Office at 4300 S. Maryland Parkway, Las Vegas, Nevada. A copy may be requested by calling Nancy Stone at (702) 889-8426; 2. Copies of any such materials will also be available at the meeting site.

Reasonable efforts will be made to assist and accommodate physically disabled persons attending the meeting. Please call the Board office at (775) 784-4958 in advance so that arrangements may be made.

1. PUBLIC COMMENT

INFORMATION ONLY

Public comment will be taken during this agenda item. No action may be taken on a matter raised under this item until the matter is included on an agenda as an item on which action may be taken. Comments will be limited to three minutes per person. Persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when that agenda item is being considered.

In accordance with Attorney General Opinion No. 00-047, as restated in the Attorney General's Open Meeting Law Manual, the Chair may prohibit comment if the content of that comment is a topic that is not relevant to, or within the authority of, the Board of Regents, or if the content is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers.

2. CONSENT ITEMS FOR POSSIBLE ACTION

Consent items will be considered together and acted on in one motion unless an item is removed to be considered separately by the Committee.

2a. MINUTES FOR POSSIBLE ACTION

Request is made for approval of the minutes from the September 10, 2015, meeting. ([Ref. IF-2a](#))

**2b. UNIVERSITY PARK APARTMENTS FOR POSSIBLE ACTION
PROJECT LEASE AGREEMENT
– UNLV**

UNLV President Len Jessup requests approval of the Assignment, Assumption and Modification of lease agreement of the Phase One Lease for the University Park Apartments project located at 4259 S. Maryland Parkway, Las Vegas. In addition, UNLV requests the Board authorize the Chancellor or his designee, after consultation with the Vice Chancellor for Legal Affairs, to review and approve Tenant's proposed financing for the project as required by Section 24.2 of the Phase One Lease. ([Ref. IF-2b](#))

**2c. AMENDMENT TO LEASE FOR POSSIBLE ACTION
AGREEMENT WITH VERIZON
WIRELESS LOCATED AT 904
NORTH VIRGINIA STREET,
RENO – UNR**

University of Nevada, Reno President Marc A. Johnson requests approval of the First Amendment to the Building and Rooftop Lease Agreement and the Memorandum of First Amendment to Building and Rooftop Lease Agreement with Verizon Wireless located at 904 North Virginia Street, Reno, NV. ([Ref. IF-2c](#))

2. CONSENT ITEMS *(continued)*

FOR POSSIBLE ACTION

**2d. UNIVERSITY OF NEVADA
SCHOOL OF MEDICINE LEASE
LOCATED AT 745 WEST MOANA
LANE, RENO, NV – UNR**

FOR POSSIBLE ACTION

University of Nevada, Reno President Marc A. Johnson requests approval to lease approximately 17,390 square feet within 745 West Moana Lane, Reno, NV 89509 for the University of Nevada School of Medicine for a term of thirty six (36) months, with an option to renew the lease for an additional thirty six (36) months. [\(Ref. IF-2d\)](#)

***Fiscal Impact:** Reduction of rental costs by approximately 15 percent or \$29,000 annually.*

**2e. RESOLUTION, AUTHORIZATION
TO SELL PROPERTIES LOCATED
IN THE STEAD AREA, CITY OF
RENO, NV – UNR**

FOR POSSIBLE ACTION

University of Nevada, Reno President Marc A. Johnson requests pre-approval to sell ten properties in the Stead area of Reno, Nevada identified at the following Reno locations: Echo Avenue (APN 086-143-05), 13905 Mount Vida Street (APN 086-142-04), Texas Avenue (APN 086-951-01), Fox Avenue (APN 086-151-08), 5600 Fox Avenue (APN 086-151-07), Military Road/Mt. Limbo (APNs 086-154-04 & 086-130-04), 5210 Alpha Avenue (APN 086-951-04), and 5257 Bravo Avenue (APNs 086-951-02 & 086-951-03) for a sale price at or above current appraised value, with status reports provided approximately every six months to the Investment and Facilities Committee. President Johnson also requests approval authorizing the Chancellor or his designee to approve and execute, after consultation with the Investment and Facilities Committee Chair and review by the Vice Chancellor for Legal Affairs, contracts and related documents to sell the properties for an amount no lower than the appraised values, and to sign corresponding escrow and title documents associated with the sale(s) at close of escrow. [\(Ref. IF-2e\)](#)

2. **CONSENT ITEMS** *(continued)* **FOR POSSIBLE ACTION**

2f. **RESOLUTION, PURCHASE OF REAL PROPERTY AT 830 NORTH CENTER STREET, RENO, NV – UNR** **FOR POSSIBLE ACTION**

University of Nevada, Reno President Marc A. Johnson requests Board of Regents' approval of a resolution to purchase real property at 830 North Center Street, Reno, NV. [\(Ref. IF-2f\)](#)

***Fiscal Impact:** Purchase price: \$1,600,000, paid for by donor funds specifically earmarked for property acquisition in the Campus Gateway.*

2g. **RESOLUTION, PURCHASE OF REAL PROPERTY AT 1055 EVANS AVENUE, RENO, NV – UNR** **FOR POSSIBLE ACTION**

University of Nevada, Reno President Marc A. Johnson requests approval of a resolution to purchase real property at 1055 Evans Ave Reno, NV. [\(Ref. IF-2g\)](#)

***Fiscal Impact:** Purchase price of \$561,000 from the Property Acquisitions Account.*

ESTIMATED TIME: 5 mins.

3. **NORTH PARKING LOT CONSTRUCTION APPROVAL AND EXPENDITURE OF \$2.4 MILLION CAPITAL IMPROVEMENT FEES – TMCC** **FOR POSSIBLE ACTION**

Truckee Meadows Community College President Maria Sheehan requests approval to proceed with the development of the approximately 380 parking stalls located on the northeastern side of the Dandini campus, at a cost of up to \$2.4 million, funded from existing capital improvement fee balances. [\(Ref. IF-3\)](#)

***Fiscal Impact:** The estimated project cost of \$2.4 million requires the use of the capital improvement fees.*

ESTIMATED TIME: 5 mins.

4. **NEW SCHOOL OF THE ARTS BUILDING – UNR** **FOR POSSIBLE ACTION**

University of Nevada, Reno President Marc A. Johnson requests approval to proceed with the proposed project to develop a new fine arts building. ([Ref. IF-4](#))

***Fiscal Impact:** Project will require a fund-raising goal of \$20 million and a loan to bridge pledges.*

***ESTIMATED TIME:** 10 mins.*

5. **DEVELOPMENT OF NEVADA STATE COLLEGE CAMPUS RESERVE LANDS – NSC** **INFORMATION ONLY**

Nevada State College's Campus *Master Plan* that was approved by the Board in June of 2010 identified 173 acres of the 509 acre campus as Campus Reserve. Per the *Master Plan*, "this designation is intended to include a range of possible uses that cannot be predicted at this time." Over the past several years, the College has been inundated with a number of unsolicited proposals for these lands. In order to ensure equal consideration for proposed activities and for better objective decision making, the College issued a Request for Information to consider proposed projects ranging from individual projects to full master developers. Nevada State College President Bart Patterson will update the Committee on the progress of the Request for Information for the development of Nevada State College's Reserve Lands including the selection of a proposed lead developer. President Patterson will also discuss the next steps leading to a non-binding Memorandum of Understanding regarding the College Campus Reserve Lands that will be brought to the Committee at a later date. ([Ref. IF-5](#))

***Fiscal Impact:** Full build-out of the Campus Reserve Lands could result in cumulative lease revenue in excess of \$17M over the terms of the combined leases.*

***ESTIMATED TIME:** 10 mins.*

6. POOLED ENDOWMENT AND OPERATING FUNDS; OPERATING POOL RESERVE **FOR POSSIBLE ACTION**

Staff from Cambridge Associates and System Administration will present a report on asset allocation and investment returns for the pooled Endowment and pooled Operating Funds for the quarter ended September 30, 2015. NSHE staff will also provide an update on the status of the Operating Pool Reserve. Cambridge Associates and System Administration staff may also provide specific recommendations on fund managers which may include hiring, terminating or changing managers. The Committee may take action based on the report and recommendations, including making recommendations to the Board to change the asset allocation, fund managers and/or strategic ranges for the pooled funds.

ESTIMATED TIME: 30 mins.

7. FOSSIL FUEL INVESTMENTS/SOCIALLY RESPONSIBLE INVESTING **INFORMATION ONLY**

Representatives from Cambridge Associates will present information regarding the impacts of fossil fuel divestment from institutional investment portfolios. The Committee may discuss this and other policy initiatives as they relate to Socially Responsible Investing. ([Ref. IF-7](#))

ESTIMATED TIME: 15 mins.

8. DISTRIBUTION FROM THE ENDOWMENT FUND **FOR POSSIBLE ACTION**

The Investment and Facilities Committee will discuss current NSHE distributions from the Endowment Fund, including the net 4.75 percent spending rate/management fee in relation to current investment allocation, projected returns, and Board policy (*Handbook, Title 4, Chapter 10, Section 5*). The Committee will review how changes to the policy on distribution may impact long-term objectives and may approve a revision to the distribution rate or the spending rate/management fee. ([Ref. IF-8](#))

ESTIMATED TIME: 15 mins.

9. OUTSOURCED CHIEF INVESTMENT FOR POSSIBLE ACTION
OFFICER – REQUEST FOR PROPOSALS

Mr. Russell Campbell of Your Second Opinion, LLC and NSHE staff will present draft language for the Request for Proposals for the solicitation of an Outsourced Chief Investment Officer to manage the System's Operating and/or Endowment Funds. The Committee may direct staff to move forward with a Request for Proposals' solicitation. ([Ref. IF-9](#))

ESTIMATED TIME: 15 mins.

10. NEW BUSINESS INFORMATION ONLY

Items for consideration at future meetings may be suggested. Any discussion of an item under "New Business" is limited to description and clarification of the subject matter of the item, which may include the reasons for the request.

11. PUBLIC COMMENT INFORMATION ONLY

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POSTED ON THE NEVADA SYSTEM OF HIGHER EDUCATION WEBSITE (<http://system.nevada.edu/>) AND ON THE NEVADA PUBLIC NOTICE WEBSITE PURSUANT TO NRS 232.2175 (<http://notice.nv.gov/>), AT THE SYSTEM ADMINISTRATION BUILDINGS AND E-MAILED FOR POSTING AT THE EIGHT NSHE INSTITUTIONS:

CSN, Building D, 1st Floor, 6375 W. Charleston Boulevard, Las Vegas, NV 89146
DRI, Maxey Building, 2215 Raggio Parkway, Reno, NV 89512
DRI, Southern Nevada Science Center, 755 E. Flamingo Road, Las Vegas, NV 89119
GBC, Berg Hall, 1500 College Parkway, Elko, NV 89801
NSC, Great Hall, 1125 Nevada State Drive, Henderson, NV 89015
TMCC, Red Mountain Building (RDMT 200), 7000 Dandini Boulevard, Reno, NV 89512
UNLV, Flora Dungan Humanities Building (FDH), 1st & 7th Floors, 4505 Maryland Pkwy, Las Vegas, NV 89154
UNR, Clark Administration, University of Nevada, Reno, Reno, NV 89557
WNC, Bristlecone Building Lobby, 2201 W. College Parkway, Carson City, NV 89703
System Administration, 4300 S. Maryland Parkway, Las Vegas, NV 89119
System Administration, 2601 Enterprise Road, Reno, NV 89512