

Minutes of the  
**NIU Board of Trustees**  
**FINANCE, FACILITIES AND OPERATIONS**  
**COMMITTEE MEETING**  
November 15, 2007

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order by Chair Robert Boey at 10:29 a.m. in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Sharon Banks-Wilkins conducted a roll call of Trustees. Members present were Trustees Barbara Giorgi Vella, Board Chair Cheryl Murer and Committee Chair Boey. Not present were Trustees George Moser, Manny Sanchez and Myron Siegel. Also present were Committee Liaison Eddie Williams and Board Parliamentarian Kenneth Davidson. With a quorum present, the meeting proceeded.

**VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING**

Confirmation of Open Meetings Act notification compliance was given by Board Parliamentarian Ken Davidson. Due to the lack of a quorum, Mr. Davidson said, Board of Trustees *Bylaws* permit the Chair of the committee or the Chair of the Board to make the temporary appointment of a Board member in order to complete a quorum. The record should note that Committee Chair Boey has appointed Trustee Strauss as a temporary member of the committee for this meeting and is authorized to participate and vote on all matters. With the presence of a duly qualified and proper quorum, it is my recommendation that this meeting proceed.

**MEETING AGENDA APPROVAL**

Chair Boey asked for a motion to approve the agenda. Trustee Murer made a motion to approve the agenda. It was seconded by Trustee Vella. The motion was approved.

**REVIEW AND APPROVAL OF MINUTES**

It was moved by Trustee Vella and seconded by Trustee Murer to approve the minutes of September 6, 2007. The motion was approved.

**CHAIR'S COMMENTS/ANNOUNCEMENTS**

On today's agenda, Chair Boey said, we have four items that will be presented for action and five information items. Our action items today include Phase VIII in an Energy Improvement Performance Contract, the Fiscal Year 2009 Mass Transit Contract, a Budget Authorization Request for the NCAA Track and Field Project, and an authorization request to grant permanent easements for roadway and utility purposes to the DeKalb Township Road District and local utilities that are part of the Bethany Road Extension Project. Our information items include the Semiannual Progress Report on Active Capital Projects, the Quarterly Summary Report of Transactions in Excess of \$100,000, as well as a Periodic Report on Investments. In addition, there will be presentations on the Internal Naming of Facilities Policy and the East Campus Chilled Water Plant Project.

I would now like to recognize the representatives of the University Advisory Committee to this subcommittee, Dr. Paul Stoddard and Dr. Nancy Castle.

In regard to the performance contract you mentioned earlier, Dr. Stoddard said, these allow the university to improve the efficiency and safety of our buildings at no immediate upfront cost to us. All the costs are recognized through savings in energy, and in these days, this is an especially important project. So I would like to commend Dr. Williams for his efforts in putting these contracts together year after year. Bob Albanese, all of our staff in the Physical Plant and in our A&E area also are intimately involved in negotiating these contracts, Dr. Williams said, and we certainly appreciate your recognition.

## **PUBLIC COMMENT**

The Chair asked Board Parliamentarian Kenneth Davidson if any members of the public had registered a written request to address the Board in accordance with state law and the Board of Trustees Bylaws. Mr. Davidson noted that no timely request for public comment had been received.

## **UNIVERSITY RECOMMENDATIONS**

### **Agenda Item 7.a – Energy Infrastructure Improvements – Phase VIII Performance Contract**

This is Phase VIII of a series of Energy Infrastructure Improvement Performance Contracts the university has entered into, Dr. Williams said. These have allowed the university to make energy-related capital improvements where the capital is advanced by a private vendor. The vendor's recourse is to obtain their investment and return on investment from the energy savings that are generated by the improvements. Because the program has been so successful, the State of Illinois has extended the term of payback, which was originally ten years, up to 20 years. With this extended payback period, we will be able to do more projects that may have a slower return rate. As such, we are recommending \$9.3 million in improvements. The affected buildings are listed in your reports along with the particular operations. Chair Boey asked for a motion to approve the Phase VIII Performance Contract Energy Infrastructure Improvements. Trustee Vella so moved, seconded by Trustee Strauss. The motion was approved.

### **Agenda Item 7.b – Fiscal Year 2009 Mass Transit Contract**

The Mass Transit contract is negotiated through our Student Mass Transit Board, Dr. Williams said. An RFP was sent out and received only one response. For a vendor to provide a response to the RFP, that vendor must be prepared to make substantial capital investments in buses, staff and facilities in order to meet the requirements of the RFP. The successful vendor and bidder is the company that we have been involved with over the years. The amount of the contract is geared to provide the base salary. The Mass Transit Board indicated additional environmental factor requirements, potentially increasing the number of bus routes, and finally, concerns regarding newer bus equipment that would be handicapped accessible. So those are factors that are within the contract and, as you would expect, there are escalators that handle increases in the cost of fuel and other contingencies. In answer to a query from Trustee Strauss, Dr. Williams explained that the contract is set, but the actual cash outlay may vary because it is based upon such things as fuel escalators, the number of routes, etc.

Since it is student fee supported, Chair Boey said, I am pleased to see the representation of the student body on the committee. They are the ones who are close to the details and they are the ones who approve the contract before it comes to the Board. In answer to a question from Trustee Murer, Dr. Williams stated that the number of buses needed varies. If evaluations by the Mass Transit Committee result in a need for additional routes or services, the contract is flexible enough to accommodate that. Student Trustee Crisler stated that the buses are being used to capacity, and they are working on a GPS project for the residence halls to help students pinpoint the buses and increase ridership.

I say this every year, President Peters said, but I know of no major large state university that accommodates their students in terms of letting them craft and negotiate and be part of the process of letting a \$3.7 million transportation contract. It is certainly a great educational benefit to them, but also they prove to be very shrewd and they know what their constituents need. Some people see Huskie Line and think the university runs it; but the truth of the matter is the students wanted this, they pay for it through fees and then they negotiate the contract under our guidance and supervision. It is a tremendous aspect here of student government.

Chair Boey asked for a motion to approve the FY09 Mass Transit Contract. Trustee Murer so moved, seconded by Trustee Strauss. The motion was approved.

### **Agenda Item 7.c. – NCAA Track and Field – Capital Project Approval**

The request is for authorization to move forward with an NCAA track and field which would be located on the West Campus in the vicinity of the existing soccer field, Dr. Williams said. He asked Dr. Jim Phillips, Director of Athletics, to give the committee an overview of this project.

We are asking your support to approve this project, which is for track and field as well as soccer, Dr. Phillips said. Our current soccer field is located just west of Huskie Stadium and south of the baseball stadium. We would like to locate the new track in this area and move the soccer field to the north of the track. One thing we try to do for every student athlete here is provide a world-class experience. We have tremendous young people who are working hard in the classroom and also for us in their areas of competition. Right now, our young ladies are practicing in the convocation parking lots because we do not have an outdoor track facility, which is the main reason we are seeking your approval for this project. We have a Title IX issue that we have been dealing with for quite a few years. In the past, we have practiced at the DeKalb High School track, and that has been sufficient for our group; but about a year ago, the NCAA indicated that would no longer be permissible. They have not allowed us to practice at the high school because NCAA rules prohibit our being on the campus of an institution that provides potential student athletes. So, we have been forced to use the parking lot at the convocation center. We have an Office of Civil Rights issue of which we have to remain cognizant, and we are up for recertification with the NCAA. So, again, the number one issue is to provide those student athletes with a tremendous facility for them to work on their skills and the athletic component. Dr. Williams and his great staff, Bob Albanese, Jeff Daurer and others in the room looked all over campus and determined that this was the best site for this project; but that means we will have to move our soccer field. There is more than enough space for both. It will be a tremendous project and, most importantly, we are not seeking any student fee dollars.

In response to a query from President Peters, Dr. Phillips gave an overview of the project. The track component will consist of an eight-lane, state-of-the-art track diagrammed with a Mondo surface, Dr. Phillips said. It will have eight straightaway lanes along the east side of the track, and that is important because it would allow us to host NCAA events. In addition, we will seek to host the Illinois High School Association track and field championship events here as we have with basketball and wrestling.

Just to the south will be the field component – long jump, throwing events, etc. And what's wonderful about this area is that in most places, these field events are performed in the middle of the track area, which would really be a detriment to our soccer field, eventually causing dents and other surface imperfections. However, there is enough space in this area to do the field events just to the south. Then we would like to put in a state-of-the-art field turf soccer surface. That is important because our players are trying to start practicing as early as they can, and we do not have an indoor center for them to use for practice during the winter months. So, as soon as they can, they are literally clearing their fields of snow to practice. A field turf surface will allow them to come in at any time of the year and literally shovel the snow off and start using it. Right now, both the men's and women's soccer teams are practicing on the field just across from the baseball stadium on a daily basis. So this area takes an awful lot of abuse from that as well as from other activities such as tents and cars parking in that area for football and other activities. So not only will they be able to play on this surface, but it will become their practice facility as well.

Not only will this facility be used by those hundred women's track and field, women's soccer and men's soccer student athletes, Dr. Phillips concluded, but there is not a competitive program that we have out of our 17 sports that will not use that track for some kind of conditioning throughout the year. So, it will affect all of our approximately 470 student athletes over the course of a year. With this plan, if it is approved by the Board, the project could be completed by July in time for the soccer season which starts in August. In answer to a question from Trustee Murer, Dr. Phillips stated that several people on campus had worked with the City of Chicago regarding the 2016 Olympics and the possibility of their hosting the preliminary soccer games on the NIU campus in DeKalb as well as using Huskie Stadium.

I have always been a very strong proponent of Title IX, Trustee Murer commented. I think it has been a great contribution to women athletes, and I am glad that we recognize it. Also, I am pleased to hear in your comments that it is not from a regulatory standpoint that we are doing this but as a catalyst to be able to provide our women athletes equal opportunity.

Looking at the athletics physical plant, Dr. Philips said, lighting will be brought in by the baseball stadium because this area will be used by quite a few student athletes. And hosting NCAA and high school events will require lighting so they can run events past six o'clock at certain times of the year, and that is also included in the request.

Chair Boey asked for a motion to approve the NCAA Track and Field Capital Project. Trustee Vella so moved, seconded by Trustee Murer. The motion was approved.

#### **Agenda Item 7.d. – Permanent Easements for Public Roadway and Utilities**

The university is requesting that the Board approve the granting of a permanent easement that would allow the township and the City of DeKalb to continue the construction of the bypass road that we have been working on for the last twelve years, Dr. Williams said. Bethany Road runs east to west out in farm country and then curves south. It runs right along the western border of Northern Illinois University. The easement would allow Bethany Road to come all the way south on the west to connect at Route 38.

This easement will give the township and the city the necessary right-of-way for half of the road. So it actually goes from the center of the road over to drainage ditches that would serve for storm water and so forth. Legal counsel has reviewed both the legal description of the property and the legal description of the grant easement.

In response to a question from Trustee Strauss, Dr. Williams stated that curb cuts have been negotiated for the new expanded roadway being built on the West Campus from federal government grant funds. We also included in our discussions was the agreement that if we wanted to come back in and put storm sewers and curbing along the right-of-way, we retain that right. The actual roadway will belong to the Township, Dr. Williams stated, and it is my understanding that they will put in our turn lane as well. If that is not the case, we will report back to the Board.

In regard to the possibility of an overpass across route 38, Dr. Williams said that he could not comment on that because he is not aware if that is part of the long-term plan. However, the overall plan that NIU is working from and the total extension of Bethany is the product of the work of the Township, the City, IDOT and the university. It is important to have IDOT involved since we are talking to them about the intersection of this extension with Route 38 and the fact that we would like to have traffic lights there, which is something only IDOT can do because of the location. In terms of timing, Mr. Daurer reported that if the Board gives its approval, the City plans to start rough grading starting in 2008 and should be doing the final grading around October.

When this all started after I came here in 2000, President Peters said, my concern was a historical thing and that is to avoid problems with Annie Glidden. So, I insisted that we would not put this bypass through the middle of our new property, the 200 acres on the far West Campus. Who knows what will be built out there in the next 20 to 30 years, and I was concerned about bisecting our property and causing traffic issues. This met our traffic pattern requirements, and the infrastructure roads that we will be putting in with the federal dollars we have secured, will link up at that point. Dr. Williams also recognized Pat Bell, project manager for the road extensions and development, who has been working with Jeff Daurer.

I am excited about the fact that this extension will help relieve our traffic pattern whenever there is a big event at the convocation center, Trustee Boey said, because right now everything feeds into Lincoln Highway and is jammed up in one location. With the extension, some traffic can be channeled back around Bethany and on north.

Chair Boey asked for a motion to approve the Permanent Easements for Public Roadway and Utilities. Trustee Strauss so moved, seconded by Trustee Vella. The motion was approved.

## UNIVERSITY REPORTS

### **Agenda Item 8.a. – Semi-Annual Progress Report of Active Capital Projects over \$100,000**

Dr. Williams gave a brief overview of each of the information items, the first of which was a Semiannual Progress Report of Active Capital Projects. This gives a summarized status report of projects underway at the university.

### **Agenda Item 8.b. – Quarterly Summary Report of Transactions in Excess of \$100,000**

The Quarterly Summary Report of Transactions is required under Board *Regulations* for transactions in excess of \$100,000 but less than \$250,000. The President is authorized to approve these transactions, Dr. Williams said, and reports to the Board items he has approved ranging from \$100,000 to \$250,000 in accordance with Board *Regulations*.

### **Agenda Item 8.c. – Periodic Report on Investments**

Our Periodic Report on Investments shows that our average rate of return is 4.92 percent, almost five percent, Dr. Williams reported, so we are getting a very good return under the limited parameters by which we can invest money.

### **Agenda Item 8.d. – Internal Policy for Naming of Facilities**

Members of our Board of Trustees were curious about the process for naming facilities on our campus, Dr. Williams said, and Mr. Mike Malone is here to give an overview on the university's policy in that regard.

Naming major facilities in recognition of a donor is not common practice at either public universities or private universities, Mr. Malone said. That makes every potential name of an NIU facility an asset that it is our responsibility, collectively, to make sure we get the best return on that investment and the best value on that asset. So it is important that we have guidelines to follow so that we are most productive in marshalling our naming assets at Northern Illinois University.

The President has charged my division with reviewing the vetting process prior to a recommendation coming to the Board. This is an internal process that seeks to answer certain questions so that the President has all the necessary information at hand in order to bring a proposal to the Board. It remains the Board's prerogative to assign names to major facilities at Northern Illinois University. We surveyed the best practices of 18 colleges and universities across the country in our research of their naming policies, applied the most relevant of those and tested them against our own. Ultimately, we want to answer these four questions before the President brings a proposal to the Board: (1) Through actions and words, does the person suggested for the honor represent the values of NIU? (2) Is the honor appropriate to the contribution the person has made to NIU or to society in general? (3) Is the proposed name both honorific and descriptive of the function of the facility? (4) Under what conditions and through what process would a name be removed from an existing building or transferred from one facility to another? There have been any number of examples of this in the past five or ten years. As Enron became a not so credible name anymore, certain universities had to work through a process to actually remove names of corporations or individuals from their buildings. We wanted to have that process in writing, reviewed and understood in case we ran into such a problem. Hopefully, we will never have to use it. In addition, a number of important terms are defined in that policy and the process for vetting is established that on a case-by-case basis involves critical university decision-makers.

I will conclude by saying that in the case of a building or a facility named for a donor, every one of those is an individual case, and most often do not follow set patterns. But it is very useful for us to have guidelines that we try to use uniformly. Before we built our alumni center, I traveled to a number of different sites and looked at newly built alumni and visitors center at various colleges and universities, and I will share one example from Ohio State University with you. They started with a modest rehab and renovation of an existing facility and felt fortunate to have an alumna step forward and offer a gift that would have been 40 percent of the cost for the project. However, when they got into the project, they discovered that the area they were about to renovate had been used as a medical waste dump site for years and contained radiation. After reviewing the whole project, they wound up building a huge new alumni center, the cost of which dwarfed the original estimate. So the alumna's name is now attached to

this \$30 to \$40 million building for the percentage of a gift which, compared to the project cost, is certainly very small by any standard. Nonetheless, that was the situation they found themselves in. So, we should all keep in mind that these projects tend to take on a life of their own, and the timing and project delays can affect the end ratio of gift to project cost.

In answer to a query from the Trustees, Mr. Malone said that this procedure is relevant only to a major facility, not a room or an area within a facility. So those dollar costs are set as a proportion of the total fundraising goal. For every project, we have a pyramid with the levels of gift needs, and we try to assign the appropriate naming honor to those various gift levels.

Mr. Malone said they usually discuss the issue of naming rights with the donors directly. Before we put a name on a building, we want to make sure that donor really has the best interests of Northern Illinois University at heart. And we want a donor who would understand that if a particular donor or corporation brought discredit to the university that the university would have the right to return the gift or to remove the name. Again, we do this case-by-case and individual by individual. We have not had a corporate name on a major facility, but that definitely would be a contractual conversation.

There actually are three kinds of naming opportunities for buildings. One is a state building with a specific function, such as the Chemistry Building. It may be that is named, with Board approval and a shared governance procedure, after a venerable professor of chemistry. The second kind of activity is related to naming in accordance with donations, and the certain rules and so forth we have talked about today. And then the third kind is basically a marketing contracts where a corporation would have the naming rights to a facility such as the convocation center and that changes from time to time. We are focusing on naming rights and the donor aspects because of our current capital campaign.

I am grateful that we had opportunities for this to become an issue, Trustee Strauss said, because I was one of the people who asked questions to make sure that we had at least thought about it. So, I only want to comment that I am grateful we went through a reflective period and thought about it, and I am appreciative of the effort that went into this. It reflects the fact that somebody has thought seriously about the issues involved. Thank you for taking the time to get us to this point. It is a good framework going forward, and I hope we will have opportunities to use it often.

#### **Agenda Item 8.e. – East Campus Chilled Water Plant Project Presentation**

The last item is our East Campus Chilled Water Plant Project Presentation, Dr. Williams said. In his State of the University address this year, President Peters pointed out and challenged the campus to focus on a green campus, thereby contributing to energy conservation and the like. Certainly, the performance contracts are one response to that. His charge to the campus is one he expressed to me in previous years, so we went about trying to do projects that would actually meet that need. One of them is this East Campus Chilled Water Plant Project, and we have had some major breakthroughs in funding. Dr. Williams asked Jeff Daurer to give the Board an overview of the project.

The East Campus chilled water line and the East Campus chilled water plant are projects that we will be doing this summer. These projects are very important to our campus in three specific ways. As Dr. Williams mentioned, this is the right thing to do on an environmental front. We immediately will be taking offline eleven buildings with chillers that use the old chlorofluorocarbon-based (CFC) refrigerants. As part of this project, we will reduce energy consumption on campus by \$300,000 to \$400,000 annually. We are taking advantage of economies of scale and using equipment that is far superior in energy savings and technologies. Another important reason we are pursuing this project is that the men and women of our Physical Plant have maintained our chillers and cooling towers sometimes 10 to 15 years, far beyond their useful life cycle. We have chillers on this campus that are 40 years old. Sometimes they cannot tell where the old tube bundles end and where their welds begin because they have patched and band-aided them together so much to get to this point. So we tip our hats to those men and women today and tell them that relief is coming with this chiller plant. We are excited about the plant, but we know there are going to be challenges coming quickly this summer, so we have started to prepare our staff, students and faculty.

Mr. Daurer then gave an overview of the project. The major portion, the chilled water plant, will be built in the parking lot of the Campus Life Building, Mr. Daurer explained. The second part of the project is

getting the chilled water line into the ground. We need to make a loop so that we can run water all the way around the East Campus and back to the plant to cool it down again.

The water will come out of the plant at the south end, cut across Garden Road, drop south past the parking lots and turn to the east. Gilbert Drive will be we widened at that point. We will widen the ditch, drop down under Lucinda and bore underneath so we do not disrupt traffic. Here we will connect with an existing chilled water line that was put in the ground in 2003. That line has been underground and waiting for the state to release these funds so that we could continue with the project. We are going to connect to that existing line, run all the way down Gilbert Drive, cut across the parking lot next to the lagoon, across Castle and to the south and east of Lowden Hall. There we pick our project back up and head west, dropping a dogleg under the creek to provide service to Montgomery and Psych-Math, two buildings that desperately need this. We will cut through On the north side in between New Faraday and Davis Hall carefully. Our ditch will widen again as we drop under steam tunnels and head onto Normal Road. We will move north over a few months, past Normal Road and go into the Adams front yard. Then it will cut across east, tie into the Health Services Building, go in front of the existing Speech and Hearing Clinic, tunnel down again and cut across Lucinda Avenue where it will come back up at the parking lot of the Campus Life Building, drive north, head back to the east and complete the loop.

It is a huge project. We know that there are going to be challenges, and we have made preparations. We briefed campus leadership a couple of weeks ago on this particular piece of information so they would know what was coming in order to be prepared in their respective areas. We have also kept Campus Parking in the loop. This will be a major concern, and we will be prepared to reassign and relocate special use permit parking and accessibility parking. Finally, we are keeping the campus informed via the Internet. Right now, it is just a depiction; but we are going to provide updated information on what is coming next: "Where are we going? Where are we staging? Where are we going to rip up the road?" We want the campus to be informed so they can be prepared, and this is where they can go to get that information.

The Capital Development Board (CDB) and the Department of Economic Commerce and Opportunity are working with the university, all providing funds. CDB is in for CFC reductions of up to \$7.2 million and DCEO, although they have provided also to the West Plant already, they are supplying over \$7 million. The entire project is estimated at roughly \$15.5 million.

To explain the term chiller, Trustee Boey said, in the industrial world, the chiller usually is looking for 60-degree water that they use for cooling. But in this case, we are really about our air-conditioning system. We chill the water down and run it into the buildings, Mr. Daurer said, and then we run air handlers to move air over the top and transfer the energy. It is different from normal air-conditioners and very efficient.

The plan is for the bulk of the chilled water line will go into the ground this summer, Mr. Daurer said. We will still have to make tie-ins in 2009. The plant will begin construction after the spring thaw, and we will be working on this through 2008, 2009 and be fully operational in 2010.

#### **NEXT MEETING DATE**

The next meeting of the Finance, Facilities and Operations Committee is scheduled for Thursday, March 6, 2008.

#### **ADJOURNMENT**

There being no Other Matters, Chair Boey adjourned the meeting without objection at approximately 11:17 a.m.

Respectfully submitted,

Sharon M. Banks-Wilkins  
Recording Secretary