

Minutes of the  
**NIU Board of Trustees  
Special Meeting of the  
FINANCE, FACILITIES AND OPERATIONS  
COMMITTEE MEETING**  
August 6, 2015

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 9:05 a.m. by Committee Chair John Butler in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Kathleen Carey conducted a roll call of the trustees. Members present were Trustee Robert Boey, Trustee Raquel Chavez, Trustee Robert Marshall, Board Chair Marc Straus, and Committee Chair John Butler. Also present were President Douglas Baker, Committee Liaison Alan Phillips, Vice President and Provost Lisa Freeman, Deputy General Counsel Greg Brady, and Board Liaison Mike Mann. Trustee Wheeler Coleman and Trustee Cherylyn Murer were absent.

**VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING**

Confirmation of Open Meetings Act compliance was given by General Counsel Jerry Blakemore as well as verification of a quorum.

**SWEARING IN OF TRUSTEE RAQUEL CHAVEZ**

Chair Butler began, our first matter of official business is to swear in our new colleague Raquel Chavez. As I said when we honored the outgoing student trustee on June 18<sup>th</sup>, the student trustee is more of a sprinter than a long distance runner; an individual who has precious little time to learn an awful lot about the operations and political dynamics of the University and its governing board. He, or in this case she, I believe for the first time ever she is a she; only has seven colleagues but it is still a challenge to become acquainted and establish a collegial relationship with all of them and hit the ground running in a very short period of time. Before she knows it, the term of the student trustee is over. Raquel Chavez should be up to the challenge because she's a veteran student leader with an impressive record of service in student government, having just finished a term as the Vice President of the Student Association, and I have already enjoyed many opportunities to work with her. Raquel is joined here today by her mother, Omega Chavez, and two Student Association advisors, Jill Zambito and Dain Gotto. Thank you also for coming. Board Chair Marc Strauss will swear in Trustee Chavez after which Trustee Chavez is welcome to makes some remarks. May I ask that you both approach the podium, and I will give the Chair the floor.

Board Chair Strauss began, if you would repeat after me please, this would be your oath. I

Raquel: I

Board Chair Strauss: Raquel Chavez

Raquel: Raquel Chavez

Board Chair Strauss: Do solemnly swear

Raquel: Do solemnly swear

Board Chair Strauss: That I will faithfully serve

Raquel: That I will faithfully serve

Board Chair Strauss: Support

Raquel: Support

Board Chair Strauss: Preserve

Raquel: Preserve

Board Chair Strauss: Protect and defend

Raquel: Protect and defend

Board Chair Strauss: The constitution of the United States

Raquel: The constitution of the United States

Board Chair Strauss: And the laws thereof

Raquel: And the laws thereof

Board Chair Strauss: The constitution of the state of Illinois

Raquel: The constitution of the state of Illinois

Board Chair Strauss: and the laws thereof

Raquel: and the laws thereof

Board Chair Strauss: and the constitution

Raquel: and the constitution

Board Chair Strauss: Bylaws and policies

Raquel: Bylaws and policies

Board Chair Strauss: of Northern Illinois University

Raquel: of Northern Illinois University

Board Chair Strauss: Finally,

Raquel: Finally,

Board Chair Strauss: I acknowledge the fiduciary responsibility

Raquel: I acknowledge the fiduciary responsibility

Board Chair Strauss: That each member of the Board of Trustees

Raquel: That each member of the Board of Trustees

Board Chair Strauss: Has and further solemnly swear

Raquel: Has and further solemnly swear

Board Chair Strauss: That I will discharge faithfully

Raquel: That I will discharge faithfully

Board Chair Strauss: My duties as a member of the Board of Trustees

Raquel: My duties as a member of the Board of Trustees

Board Chair Strauss: of Northern Illinois University

Raquel: of Northern Illinois University

Board Chair Strauss: to the best of my ability

Raquel: to the best of my ability

Board Chair Strauss: congratulations Raquel.

Trustee Chavez: Thank you.

Board Chair Strauss continued, also I bestow upon you a limited edition pin that the trustees have. That's the only benefit of the office so wear it proudly. Now if you have some remarks to make please.

Trustee Chavez began, hi and good morning everybody. I just want to say how honored and humbled I am to be able to have been elected by the student body to serve in this capacity. It was a rough election season but we made it through. This year I hope to be able to fulfill my duties and be able to give a representation of what the student body is thinking at this level. I'm really looking forward to a great and busy year. Thank you.

Chair Butler commented, Trustee Chavez you have something you have to sign here. It's not enough to say it, you have to actually sign. As I've pointed out before, Rachel became the student trustee at midnight on June 30 but this is the formal oath. Thank you. Congratulations again. Trustee Strauss I believe you have something to report to the Board.

Board Chair Strauss answered, we have been in receipt of a resignation from Trustee Tony Iosco so I would like to say goodbye to a longtime friend and colleague. Tony served the Board with distinction and a high degree of commitment to our institution over the last four plus years. He demonstrated his commitment to NIU in a variety of ways since receiving a Juris Doctorate from our law school, including his service on the NIU Alumni Association and Board which included time as president of that Board. Tony decided that his other commitments would make it impossible to serve with his customary degree of energy and commitment. While Tony can't be here today to accept our thanks for his service, he did assure me that he would be here at future date so we can give him an appropriate send off. Meanwhile, we wish Tony the best in his future endeavors.

Chair Butler thanked Board Chair Strauss, and now we'll return to the meeting agenda. And now Trustee Chavez what you've been waiting for, the chance to vote on one of the two action items, the first being the approval of the agenda.

#### **MEETING AGENDA APPROVAL**

A motion to approve the agenda was made by Trustee Strauss; seconded by Trustee Marshall. All were in favor. The motion passes.

#### **CHAIR'S COMMENTS/ANNOUNCEMENTS**

Chair Butler began, I would like to begin by welcoming the members of the University Advisory Council who are present this morning. They are Greg Long, Deborah Haliczner, Holly Nicholson, Greg Waas, Rebecca Shortridge and Dan Gebo. Greg Long joins us as the new Executive Secretary of the University Council so I'm going to ask that Greg introduce himself and then it's my understanding that Professor Shortridge is assigned to the committee and so there may be some comments that she wishes to make as well.

Greg Long introduced himself, I'm new in this position as of one month so I don't have a lot of detailed information to report. I have however been a faculty member here on campus, starting my 26<sup>th</sup> year, and have in the past chaired the General Education Committee, the Baccalaureate Review Task Force, and for eight years was also chair of NIU's Presidential Commission on Persons with Disabilities. So I have a strong commitment to the University; want to do everything we can to facilitate communication and interaction between faculty, the Board of Trustees and other bodies on campus, and with that, I have no other comments at this point, but I will turn it over to my colleague Professor Shortridge.

Rebecca Shortridge began, good morning, I just want to comment that I think it's really exciting that we're considering renovation of Holmes Student Center. I think that is a first stopping point for many people on NIU's campus and for it to have the best possible appearance and function for both students and faculty is essential to having a vibrant campus. I think that this is a great idea and I look forward to seeing how it progresses over time. Thank you.

Chair Butler thanked Professor Shortridge. Do any other members of the UAC wish to address the committee? So, today is a Special Committee Meeting that was called to continue to discuss the Holmes Student Center/Neptune Complex redevelopment plans which the committee learned some about at its May 28<sup>th</sup> meeting but did not have the time to fully engage the presenters and university leaders responsible for the proposal. I reviewed the audio recording of that discussion last night, because as some of you may remember, I was bouncing in and out of the meeting and missed a lot of it. I note that the committee basically received a presentation and agreed to meet again; and this is that meeting. We also have asked to receive a report on the university's long term housing plan which is directly related to this project, the student center and Neptune, as the project would require the temporary shutdown at some level of housing in Neptune. Finally, because we're existing in extraordinary times and there continues to be a budget impasse in the state of Illinois, I've asked for an update on the University's effort to develop a budget for FY16. Before we move on to those items, I want to thank Chair Strauss, President Baker, Vice President Alan Phillips, and Board Liaison Mike Mann for their support as I assume the responsibility for chairing this committee. At our regular committee meeting I will offer more comprehensive remarks about the subjects. I will note this morning that the areas of Finance, Facilities, and Operations have been active this summer. I note that one of our major construction projects has been halted due to the budget impasse in Springfield. I understand that halting a project, in this case the Stevens Building construction, brings with it a good deal of uncertainty and this committee will be monitoring this and other impacts of the budget impasse. On July 10, 2015, I attended, as an observer, a multi-jurisdictional disaster training exercise that tested the response capabilities of multiple agencies for an improvised explosive device incident on the NIU campus. This is the second such exercise I have observed, and I want to express my appreciation to the hundreds of first responders and volunteers who participated. It was an impressive event. I note also that the City of DeKalb has engaged in an effort to

establish a strategic ten-year improvement plan and in July held meetings within the community that will contribute to the plan. This Committee will seek to learn more about the results of that planning exercise. Finally, I note with appreciation the role that NIU, particularly President Baker, played in DeKalb State of the City Address. This committee will continue to be interested in the important links between the University and the City of DeKalb.

#### **PUBLIC COMMENT**

Chair Butler asked Deputy General Counsel Greg Brady if we had any registered public comment requests. Mr. Brady stated that no such requests have been received.

#### **Information Item 7.a. – Holmes Student Center/Neptune Complex Redevelopment Plans**

Al Phillips presented Information Item 7a, Holmes Student Center/Neptune Complex Redevelopment Plans. Good morning. This morning what we're going to have is a continuation of the discussion of the proposed Holmes/Neptune project that we did not have enough time a couple of months ago to talk about in detail. So with that, I will turn it over to Mike Stang and Tom Wroblewski who have been leading the effort and will talk about the projects in more detail, which I'm sure will lead to discussion of the proposed project.

Tom Wroblewski began, thank you Vice President, President, Board Members, Chairs Strauss and Butler. We're here today to revisit the information that was given in May and why are we doing this? The presentation represents three of the ten goals for five years that were first presented to the University as part of a comprehensive document called "A Campus Re-envisioned" in February, 2014. These are three of the priorities that were outlined in that document. Student career success requires more than just a high quality education. We need an interesting and well-built environment. Relationships and experiences shape our careers as much as a classroom does. Unique campus places inspire students to think differently, to build memorable experiences, and to remember the campus in a special way. We can influence a change to our campus' central core that will effect generations and shape successful individuals for years to come. To help us with all of these lofty goals, we did engage three highly qualified professional planning and design firms. The teams Knight and Urban Green helped us with urban planning and the central framework definitions. Dewberry and Workshop are involved with the Holmes Student Center and student transitions; and Design Organization and SASAKI came to help us with Neptune and the residential communities. We have representatives here with us today to help us with any questions that you might have. I might ask the team to go ahead and stand up and give us a little wave so the Board members can see you. So the framework was taken on to provide a long-term vision for our campus core and illustrate how that vision can be implemented over a long period of time. Six precepts were put into form by our designers to instill order and character that would provide a historic campus tie-in; develop a broad hierarchy of outdoor rooms; prioritize the core for people so that the campus core is more people friendly; allow the built forms and the natural forms and natural systems to inform, connect and contrast; create a landscape that's uniquely NIU; and reclaim some of the unremarkable spaces. They helped us outline six big moves. First is to concentrate on a central campus green that will tie the central core of campus together with academic buildings, the library, Holmes Student Center, and Neptune. The second is to recognize that the creek is a real asset to the University. Not every university's central core and campus green has a beautiful creek running through it. That's a natural creek, and that can be updated and used. Perhaps, we're talking about in the distant future, that there would be some retail for students and visiting parents and alumni; that we would try to integrate further the central buildings for academic use on campus, Cole Hall, DuSable, Watson, and Reavis, and take Carroll Avenue, which is now paved, and make that a green space as well and an entry corridor into the center of campus from the South. Then define MLK Commons as more of an urban space for specific gatherings. This side is the culmination of their efforts to give us an idea of what could occur over the next 30 years, 25 years. So their vision shows dramatic changes to the central core of campus with some additional infill buildings; most notably, pushing parking to the edges of the campus core so that it's more

pedestrian friendly space. The design process was exhaustive. We had a lot of help again from our professionals. They came to various meetings and activities. They engaged the University at many different levels. There was a core committee. There were design committees for Neptune and Holmes. There were focus committee groups. Students visited the worksite. The slide shows some of the interaction that was done with the various groups on campus and the method of pulling information from the various user groups on campus to provide the input needed to give us their design proposals. We also did an electronic campus survey to provide detail of how the campus center core was being used. Many groups within the University were part of the input for the process. So what did they find? First they went through discovery; they went through priority mapping; they went through interviews; they established relationships. Some of the visual details are here in front of you. They provided a wonderful 3D campus model, scale model, and then quite an usual looking work model for Holmes Student Center which the students and staff were able to put things in, move them around, and take them out; kind of a working model to discuss ideas. The themes were to always consider student career success; recruitment and retention; social density within the center of campus; and what's meant there, is make sure the people are there 18 hours a day, 365, make that alive with people all the time like some of the plazas in big cities. Create a place where we can celebrate the Huskie culture. Transform and change the area to provide a wow effect. Celebrate the entrepreneurial campus culture at NIU. Shift from transactional spaces, spaces that are used for offices, into relational spaces that are used for social meetings and social interaction. It's a long range plan so what we want to talk about and think about today is Phase I, but I wanted to show the phases that are part of it so that you understand that we tried to come up with a plan that can be implemented over the next several years. Phase I is the main level, Phase II is the second floor and the basement level where the bookstore currently resides, and Phase III involves the second main floor above the ground floor and all of the hotel redevelopment; and then Phase IV is the most exciting perhaps for donor potential. A proposed new wing to Holmes Student Center that would provide various spaces for student involvement and leadership. We'll show more about that toward the end of the presentation. Currently, this is what Holmes Student Center ground floor looks like. It might be hard to see, but it's very compartmentalized and there's not a good way to walk through the building. People don't really even know what the spaces are inside the building. The bookstore takes up a big portion of the ground floor and so our designers have proposed a new ground floor as Phase I that would look similar to this. I'm going to turn it over to Peter van den Kieboom from Workshop, and he's going to help us go through all of the proposed new spaces within the proposed Phase I.

Mr. van den Kieboom began, this is another example of a tool that we used with students to give them access to some of the design ideas. This is a 3D model. What it allows us to do is get inside the space and give students a visual understanding of and access to complex design ideas. To orient you very quickly, to the left of the screen you can see my mouse; this is the current bus drop off. To the right is MLK plaza. This little foot right here is actually the roof over the bookstore. So we're proposing, in Phase I, to flip the bookstore from the current location that's blocking southern light, put it up against the kitchen which we're not renovating, and then open up this wall to get some much needed light into the student spaces, at the same time being able to spill out into public spaces and activate MLK. To the south is the hotel. These are the current hotel elevators. When you come in on the ground floor you're right in the bookstore right there, so we're proposing to really open this up and make this a transit lounge for people waiting for the bus, and then also adding some hospitality-oriented food service. This is a much reduced foot print for the bookstore and then a computer store in the back half that opens up to this lounge right here. The hotel desk would move right over into this section so you'd see it right from the entryway, and then another food venue, and something we're really excited about is a new student life, student organization suite right here in the current diversions location. As you can see, open, collaborative, really student life on display. Tom was talking about recruitment and retention; students here on a tour for the first time would see ways to get involved and get excited about being part of this community. This experiential path leads you back to a sports grill, so a new restaurant. We'd take out the military style Blackhawk dining, which is an outdated model of food service, and fill this up with warm materials, pool tables, really take advantage of this existing space that a lot of students didn't know existed. You can see fireplaces scattered around, new restrooms, and then one thing we're really excited about was taking advantage of the two story existing space in the Huskies Hub where the pool tables currently are. So opening up some of these walls, bringing a stair down, and then using that for a

performance venue, temporarily, until that Phase III signature building comes on line. The kitchen would remain pretty much untouched in Phase I. That's part of the later phases. We really just wanted to affect the student experience and really warm up the whole building, bring in natural light, and give it some breathing room.

Mr. Wroblewski interjected, the signature building that Peter mentioned, and that we touched on briefly when we went through the phases real quickly, the architect has given us some possible renderings of what that space could be. It would provide additional space for various student activities. Peter, maybe you could pipe in on what the other activities were in there.

Mr. van den Kieboom joined in, yes, so we're seeing a lot of this kind of building type on other campuses, an innovation center, entrepreneurial pitch spaces for students and employees to come together, work on group project-oriented work. We are also really excited to hear about the jazz culture at NIU. So we've got at the end, opposite the tower there, a flexible performance venue that could be used as a lounge for students to pitch ideas or give presentation like this, but also celebrate the jazz element here, foreground it, and then allow that to open up, spill and activate MLK plaza. On the roof, we were also showing a roof garden, roof element. We were thinking that could be the new check-in location for the hotel. So alumni, other people coming to campus, maybe on game day, would go up that and have kind of a quieter, clubby, kind of welcoming experience. But in general, this is just really active. We saw it as kind of a late night thing, a beacon that would light up at night, and something that plays on the strength of the tower that's existing. We're trying to build on what's there, and then also the dialog between that space and the new housing, the SASAKI piece. We talked a lot about the nature of what those outdoor space would be.

Mr. Wroblewski added, the next slide talks about the budget. Phase I is the very first column, and we touched on this briefly in May. Phase I we're estimating to be about \$16 million, but we'd like to include in Phase I the move of our student organizations back into Holmes Student Center to really bring life back into the building. There's an asterisk in Phase II on the second line there on the first X, and we'd like to combine this with these two for a Phase I that would be closer to maybe \$19 million. Dr. Phillips is going to be presenting some of the information that you're interested in about this budget and how to fund it. At this point then we're going to also talk about what we did at Neptune, and Mike Stang will go through and help us understand Neptune.

Mike Stang thanked Mr. Wroblewski. We were fortunate to have the opportunity to spend some time taking a look at the Neptune complex and try to determine how the changes to the Holmes Student Center may or may not impact Neptune, trying not to just look at the Holmes Student Center in a vacuum. We primarily started with looking at the dining operations and whether there were some opportunities to connect the two dining operations. From there we engaged with SASAKI and Design Organization to try to take a look at the rest of the complex and figure out if there were opportunities to make some changes at Neptune, what would those look like? The Neptune specific findings that we pulled out of the same type of investigation that Mr. Wroblewski alluded to in terms of trying to gather information from our stakeholders, really focused on three areas. One was the need to reinforce the developing campus core and respondents indicated that could be accomplished by improving the east/west circulation both within the building and on the exterior. In addition, the housing quality and amenities needed to be improved in order to bring Neptune up to the level of our other housing options. In order to accomplish this we need to provide the ability for individual temperature control in student rooms. Student rooms and bathrooms need to offer additional privacy and community and dining spaces need to be upgraded. A third finding was the need to reinforce the improved efforts to support our living/learning communities. This can be accomplished with improved meeting space and adding community specific amenities. Similar to the plan for the Holmes Student Center, the designers have proposed a multi-phased vision which would allow us to meet these identified needs and much more. Phase I, which is identified in the light blue on the drawing, calls for a newly defined thoroughfare that would allow us to begin the process of upgrading the building mechanicals while also improving student access to both Neptune Central and the east and west residential communities. Once the horizontal utility improvements are in place, the first phase also calls for a vertical renovation beginning with student lounges and restrooms on the lower floors and moving upwards through the facility. Phase II, which is

included in the darker blue here that's Neptune Central, focuses on the renovation of Neptune Central where both the main dining center and the Trident Grab and Go outlet are located. Window replacement and improving the courtyard between Neptune Central and Neptune North are also a portion of Phase II. Later phases focus on the renovation of Neptune North and also propose a possible new housing facility to the west of the current complex. These improvements would enable us to move fairly rapidly from our current condition, which is a well maintained, but tired and dated Neptune Hall as you can see in these pictures. Instead we would move to a more contemporary housing complex that provided improved study and social space with enhanced natural light and a more straightforward navigation pathway throughout the building. The team believes that this can be accomplished in Phase 1 at least in terms of moving through towards the pathways and the easier connections to the center part of the complex. As Tom indicated, work is still being done to identify funding sources and I think that's some of what the decisions are going to be made today for these projects, but our designers have also provided us with an initial budget that would allow us to achieve each of these phases as funding becomes available. So as you can see, much has been accomplished, yet much work remains to be done on both of these projects. We've got a lot of work to do, and at this point, I think we'll turn it over to the Board and see if there are questions about either of these projects before we move into the detail analysis of the financial situation and what resources might be available for these projects.

Chair Butler began, I think we'll go through a round of members of the committee and they'll have a chance to ask their questions and then we'll just open it up after that. Do any of the members of the committee want to start? Trustee Strauss?

Trustee Strauss asked, I'd like to talk first about the programming for Holmes. How have we tested the assumption for whether there's a market for the various services that you're proposing would exist within the building?

Mr. van den Kieboom answered, we polled students on various preferences for food service. We also had another consultant, Campus Bookstore Consulting, who looked at financial information from the bookstore and then made programmatic recommendations, especially in the bookstore's case about reducing it, which is a trend that we're seeing across the country. And then we had a third consultant, a hotel consultant that looked at viability of the hotel rooms and how we could approve that financially.

Trustee Strauss replied, my concern is whether these wind up being financially self-supporting operations, and as we're asked to make early commitments to the footprint for the building, whether or not we've received enough feedback so that we know that for instance that's the appropriate level for a hotel lobby or the appropriate proximity to the elevators - that we have some test against commercial reality that these will function appropriately, and then the follow-up question is whether we have any information as to whether, if these space-use decisions make sense, we could potentially have business partners who would invest in the equivalent of lease hold improvements for some of the space or whether we're going to have to bear the entire financial obligation of building those improvements out.

Mr. Wroblewski responded, I'm not sure that I'm able to answer all the questions. President Baker?

President Baker responded, we have had a series of meetings with some folks just to get a feel for what that landscape looks like, what do other campus commons around the country do in this regard. We have some meetings set up going forward to do that. We're not asking for approval of this funding today, but you're exactly right. We have to answer those questions. We have those steps in process. It could be that there are commercial opportunities here that could bring more revenue to the table to help with the revisions.

Al Phillips joined in, and to add to that, we've also been in discussions with the Foundation about which parts of these projects would lend themselves more to other individuals helping us with the funding for some of them. Some of the thinking is that we use our funding to do those things which would be less desirable for donors to contribute money to do with the funds that we currently do have available.

Trustee Strauss asked, okay one question that I have about the overall appearance of the project, the new building that is in Phase IV, this is a projection off of the south entrance to the building currently, correct? Does it extend into the existing MLK commons area?

Mr. Wroblewski responded, what the architects were trying to do was to frame the MLK commons and so it would be west of the commons, and it would frame the west end to make that a more usable plaza, an urban plaza for student activities, discussions, and what we thought of is that's the hardscape where students come. On the other side of that building would be the softscape, where for all the green space for them to enjoy. I can envision the student association out there during election week with people talking about what they're going to do for the University. Even concerts, I think we saw a few uses of that space for concerts, but that would be the hardscape and then beyond that building would be the green space.

Trustee Strauss asked, is there or is there not an intention to redevelop the MLK Commons improvements that are currently located there?

Mr. Wroblewski answered, we're concentrating on Holmes Student Center redevelopment and the redevelopment of the outdoor space. We haven't attempted that at this point.

Trustee Strauss continued, alright. I'd also like to ask a question about the repurposing here of the space that's currently Carroll Avenue. If I understand correctly, this is proposed to become a green space instead of a road. Do I understand correctly?

Mr. Wroblewski replied, yes. Currently that portion of Carroll Avenue, that's west of the library, is part of NIU's, that was deeded over by the city to NIU. That's the portion that we would make into a green area. There would still be a path for emergency vehicles to access right into the central core of campus from Lincoln Highway, but the major portion of the green that you're seeing actually is the parking lot that's there as well. There's a visitors parking lot there right now.

Trustee Strauss questioned, so we would lose the visitors parking lot, and we would lose the Carroll Avenue entrance and exit from the parking garage, and we'd lose the access to the parking that goes over to Stevens, to the auditorium?

Mr. Wroblewski replied, no. The entrance would still come in on Lincoln Highway, Carroll Avenue would remain all the way up to the entrance into Stevens. It would be from that point forward that we would propose a green space. And again we've asked the designers and urban planners for a framework and a vision, but we haven't gotten firm figures or ideas on how to do it, they just showed us what we could do over the next 25 years.

Trustee Strauss commented, well from a community perspective, I often hear comments that there are challenges with parking for events that are to be held in the larger gathering spots within Holmes, and so if that visitor lot goes away, I think I would want to hear some information on how that might impact potential users of the hotel and meeting space and whether that impacts the commercial viability of those proposed uses within the student center. I share the interest in seeing that we can revitalize the core of campus, but I want to make sure that what we have proposed actually not only accomplishes that objective but doesn't make other things worse in the process. I think those are issues that we ought to make sure that we've thought through before we even start with Phase I. A Phase I project is going to spend money to create improvements that we won't want to relocate at a later date. We need to get it right the first time because you can see the plate for these commons areas is so large compared to the hotel space, that if you don't locate things where they ultimately need to go, you're going to have to duplicate the expense involved at some point in the project.

Trustee Boey commented, every time I go to Holmes Student Center my main concern has always been convenient parking spaces. With the upcoming changes at Holmes Student Center, the parking space situation has to be looked at. Do we need to look at the parking lot that's closest to Holmes Student



Center right now, and do we need to think in terms of multi-level parking, whatever the case is? I think that that whole picture has to be looked at carefully because I still struggle to try to find a parking space. I hate to think what a visitor would have to do?

Mr. Wroblewski responded, yes sir. There was an effort by the urban planners to show how, it's kind of a chicken and the egg situation, how do we provide more activity but still limit the intersection of vehicles and pedestrians and students? It is an issue with campus. We tested the waters on Normal last year, last summer, by changing the bus configuration to see if that would work on Normal and we found that there was such a conflict there between vehicle and pedestrian that it was a real problem. The designers took into account exactly what you're saying and have proposed several parking decks around the perimeter. Those are very expensive per parking place and they're hard to maintain in this climate because of the freeze and thaw, but they did propose that. On the other hand, part of the interval plan was to also still have some sort of vehicle that goes right through the middle of campus, a small golf cart type vehicle, that would allow people who want to park on west campus to come in on the vehicle and get right into center of campus. That's not ideal in the winter time as we've learned, but that was one of their concepts as well to bring people in on a transit type basis, but they also proposed parking decks.

Trustee Boey replied, I'm glad that you have that under consideration because I think that's a key point. With all the fanciness that we want to do Holmes Student Center, if we don't solve that problem, people won't come.

Al Phillips joined in, I will say that in almost every discussion that I've been involved in, parking has been part of the discussion. It is certainly front and center in terms of the consideration as we try to focus more on the core of the campus. That's pretty much in every conversation that we have.

Trustee Boey continued, but the logic is that we're trying to reduce the parking within the core of campus. That certainly is the logic that's represented here.

Mr. Wroblewski responded, yes the surface area that's currently given over to the visitor's parking lot is quite a large parcel and could be reused for various other uses including green space. The designers were saying perhaps that's where the new academic building that's currently on the list at IBHE for NIU might go. We haven't sited that yet and perhaps it makes sense to bring that right into the center of campus because if you want people to be entrepreneurs, maybe that's where they need to be, right in the center of campus next to Holmes Student Center.

Chair Butler asked, is the plan then to remove the parking lot and turn it into green space? Is that part of any of the phases represented here?

Mr. Wroblewski responded, not currently, no.

Trustee Marshall questioned, I guess across the state we have many of the universities facing a decline in enrollment. Should this be a trend, how does that play into looking into the future for our own usage, living space, etc.? Is that one of the variables that's being put into the formula?

President Baker answered, last night Dana and I welcomed more than 30 students who were the orientation leaders this summer, you know the kids who walk backwards around campus and talk to groups of moms and dads and students? And we took the opportunity to turn that into a big focus group with them because they've spent the summer with incoming students and their families and asked them what were we doing really well, and what did we need to improve. We went to a two-day orientation program this year, and it was wildly successful, and it had links with the community, etc. But when we got to what do we need to do to improve, at the top of their list was remodeling Holmes. They really felt that was important for not only curb appeal, which they thought was really important for how we present the University and it's vibrancy, but also a place for students to interact, as well faculty and staff, and they felt like Holmes really needed a refresh, that we weren't contemporary with many of our peers. So I would say it could help us on recruitment and retention. That Phase I, the first floor that we're looking at,

is basically redoing the bookstore and the student government area and the sports grill. So that's kind of just that first floor, bringing life back to that area. Currently, it's not that active, that floor, and I think there's a lot of opportunity there, and it would really change the flavor of the building and how it's used. I think it could be a real asset to us in terms of recruitment and retention.

Trustee Chavez asked, I know we're talking a lot about Holmes right now, but are we thinking that they're going to be built together, remodeled together, both Holmes and Neptune? I'm just curious.

Mr. Wroblewski answered, yes and I think Dr. Phillips will dwell on that a little bit when he goes through the budget portion of it.

Trustee Chavez continued, where are you going to put displaced students? Obviously, if you're remodeling a residence hall you're going to have to displace them, and that's obviously a concern. We have declining enrollment rates, but we should still be able to house those students. So how do you plan on doing that?

Al Phillips answered, in terms of funding, they actually looked at both Holmes and Neptune as separate projects, or we could do them at the same time. As you can see, to finish both projects completely is somewhere around \$200 million dollars, which is certainly more than we have available. We have a certain level of funding available, which I'll talk about here in a little bit. So the question is how do we want to allocate that? Basically, we can do Phase I with the funding we have of the Holmes project or we could do Phase I of the Neptune project. We don't have enough funding to do Phase I of both, and so that's part of the discussion, and then a little bit later Vice President Weldy is going to talk about the overall housing plan and certainly would be able to answer your other questions in more detail.

Chair Butler asked, the bookstore will be flipped with the Huskie Den?

Mr. van den Kieboom answered, the bookstore shifts away from the south wall of the current building toward the back of the kitchen. That's in Phase I, and then opening up the new façade so that there's natural light deep in that space.

Chair Butler continued, so all that's part of Phase I.

Mr. van den Kieboom answered, right.

Chair Butler continued, so what we get from Phase I, at the \$19.7 million dollar level, is the student organization suite, we get the ground floor social space, we get the grill, we get the flip of the bookstore, and the walk through, and we get the façade?

Mr. van den Kieboom answered, and then a number of other food vendors scattered throughout the space.

Chair Butler asked, and we get the new hotel check in location?

Mr. van den Kieboom answered, yes the hotel. And, there's a variety of what we call life safety improvements in the building that have to be done just to, fix things up.

Chair Butler continued, in terms of life safety issues, are we going into the second floor with those as well? I mean are we trying to manage those issues all at once or only manage them when we're actually going to remodel those spaces?

Mr. van den Kieboom responded, it's a little of both. Some have to be done all at once, others can be in compliance if done later.

Chair Butler asked about flipping some of the student facilities out of the campus life building, putting them back into the student center, noting this was where these offices were originally. He asked, have we given thought to what happens to that empty space?

President Baker joined in, there's a lot of people that want it.

Mr. Wroblewski answered, the direct answer is, it's not part of the budget right now that you see, so the space would then be renovated on another budget for people who may find that space desirable, and there are probably, as Dr. Baker alluded, several groups that would probably like to move right into that space.

Chair Butler continued, and so we've mentioned that we're not talking about doing Phase I of each project simultaneously unless we found some funding source. I think I'm getting that we want to do Holmes Student Center regardless.

Mr. Wroblewski responded, our recommendation to the Board at this point would be that Holmes Student Center would provide an economic engine of sorts. One of the things that we went through with the designers, we found that in their experience, they had done a renovation of a student union space, and they predicted that it would increase the revenue by 17%, and it was wildly successful. And Peter, what was it, 400% when they were done that first year?

Mr. van den Kieboom confirmed, the University of Wisconsin Madison's student union that we did. I think it highlights the connection between doing well financially for these retail venues, food, and a great place that students want to be. When students are there, in our experience, it tends to have a very positive effect on the bottom line.

Mr. Wroblewski commented, by doing Holmes Student Center you're affecting the student body, faculty, staff, and the community. So if we did Neptune, we would affect 1000 students, but if we put our energy toward a central renovation that affects or could be used by all students and draw them all into the center of campus to enliven the area, the thought is that we can start generating more use, more funds, and provide an economic engine for the University.

Chair Butler continued, I think the process that got us here was excellent. One of the findings of the various conversations that were had in the planning of this is that we needed more traditional green space, a more traditional center of campus quad. I'm worried that we're putting that off too far if we make that Phase V of all of this. At the very end we're going to then open up the green space, we're going to clean up and open up the creek, and we're going to create that quad that every student thinks about when they think about going to a major residential university? Is there a way to begin that landscape work knowing that it's not going to contradict with what we're thinking of doing in the future and do this as well?

Mr. Wroblewski answered, it really is funding, and the idea is exactly as you laid out. The reason for having the framework, and having the urban planners come and help us with the framework, was so that Neptune and Holmes, and the central core of campus, would be a unit, would be one. It would be the central core of NIU and that anything that would be done as we have funds available, we should be looking towards the plan and framework that they've set out for us, and then we can insure ourselves that eventually we'll get there.

Chair Butler continued, because I'm thinking if you use the logic that you've presented with respect to the student center having an impact on all the students, all the community, everybody involved, the faculty, everyone who comes to campus; wouldn't the same logic point to doing some of the landscape work that brings people to the student center, at least what brings them to the student center, earlier in the project phases?

Mr. Wroblewski responded, from your direction I think we'll be looking at that then sir.

Trustee Boey commented, while you were describing all those events, and view Holmes Student Center as the face of the University – no if, ands, or buts about it – and I have attended a number of occasions where the first day of students, they're coming in here brand new freshmen with their parents, and they walk in and that's what they see: Holmes Student Center. That immediately in their mind is the face of the University. I'm all for doing first what we need to do with this space, Holmes Student Center. On top of that, with all those new visitors coming in, we need to pay special attention to the restaurants because you've got to feed people the right way. When they go hungry and they get mad, that's a lasting memory on parents mind. I don't blame them one bit. I would feel the same way too. We need to do something concurrent with this phase, to take care of the food side of it, which is just as important in terms of first impressions. I'm all for green space Chair, but, on the other hand, green space can only become important when you have a right phase for the green space. I view that as a concurrent importance but certainly not the number one importance.

Chair Butler commented, I don't view it as number one, but if we follow the logic of the planners and what they determined was important, I don't want us to save the landscape improvements to the end because the landscape seems to be a major factor. It seems as though the planners thought that the landscape was a major factor in the psyche of the student and the people who come to campus. Are they having the real on-campus experience? Can they toss the football back and forth? Can they lay on the grass? Can they do the things that they think they do when they come to college, right?

Al Phillips explained, I think originally, part of the design work was to develop the context for the next 20 years. One of the things we wanted to make sure that we did was, in the light of these two projects, insure that they fit with any future plan or programs that we would want to do, and certainly that provides a basis for the development of a more thorough and comprehensive capital development plan, which we will be working on. This project does not preclude any of the work on the green space. It comes down to an issue of funding, but what this project does allow us to do is basically what I would call the fundamentals, the basics that we need to do before we can do anything else. These are the first things we probably need to address in the phase project. This is, I would say, the start of the development of the plan for the future. The green space is a part of that, but this was done more holistically to ensure that we looked at parking, that we looked at all the other things that we would need to consider, not just for these projects, but going forward to make sure that it all fits together, and we could establish priorities for where we wanted to put not only our effort but our resources.

Chair Butler asked, are there other programmatic questions so that we can move then to the question of sources of funding?

Trustee Chavez commented, our population is very commuter friendly, so we need that parking. As much as I want green space, and as much as I've gone to U of I and I've seen how open their quad is and everything, if we could repurpose that and put it somewhere else, or make the lagoon, that area by Davis, more accessible to students; just think of other areas on campus that could be that green space instead of getting rid of parking, because we need it. I'm just trying to look forward.

President Baker commented, in the short- to medium-term that's our option, to leave that parking lot there. We don't have a replacement for it immediately, and the urban planner suggested that we build another structure probably between the library and the current structure, somewhere in that space, and have core parking in there. That was one of the ideas. But we are going to have an option in a few months when Lucinda is open out to the convocation center and the parking there, and if we could have the express bus running back and forth, you know he can get back and forth in a fairly short period of time, four or five minutes from parking out there. A lot of universities have that. They have the parking on the periphery and the people in the center, so that you've got a continual loop of the big bus running back and forth. That is going to be a potential option. We will be able to play with that now in a few months and see if people are okay with that instead of hunting and pecking for scarce places here, can you park there and then be down in about the same time it would take you to walk to the parking lot to the core of campus in the current structure.

Al Phillips added, and along those lines I've been in discussions with Rob Jusino, who I think is currently overseeing the Huskie line, and he is already looking at routes for the busses that take advantage of the new Lucinda Avenue opportunity. So I've already had discussion with him, and he's already working on that.

Trustee Boey commented, while we're talking about all the green spaces, etc. and I'm all for it, I think one of the prettiest part of campus that we have is when you enter into our campus from Sycamore Road into the lagoon area. I think that's really pretty and we can certainly take advantage of what we have already there and build on it before we think about renovating too many other green spaces because I think that's the prettiest part of our campus right now.

President Baker added, one of the suggestions from students last night that I mentioned was that we activate that area with programming and they suggested that we have concerts and things out there, just bring students there to enjoy the space.

Chair Butler began, okay, let's talk about the funding.

Al Phillips presented, what I want to talk about first is the current status of the Build American Bond Funds that we would largely use to finance this project. We started off with a little over a \$110 million in Build America Bonds. Over the last several years we have spent approximately \$67 million of that on projects such as the Gilbert Hall renovation, Grant Tower renovation, work on Holmes Student Center, parking lots, residence halls, and other projects. We currently have active projects underway being funded through Build America bonds of a little less than \$20 million. The DeKalb campus electrical infrastructure upgrade, the Douglas Hall demo, and the Lucinda extension are being funded through these funds as well as the Outdoor Intramural Recreation facility and some renovations and reconstruction in the parking garage and parking lot. That leaves us with projects that have been approved for which we have not yet spent the funds. That's a little over \$5 million. Currently the amount remaining that's not obligated that we still have in Build America Bonds is \$18.6 million. The initial recommendation would be to use the \$19.7 million for Phase I of Holmes. But if you unencumber the \$5 million worth of funds, and I'll talk about that in more detail, that actually brings you to \$23.7 million that we actually have available that we can use from Build America Bonds for this project. If you look at the approved projects not actively started, the first project is the Watson Creek Bridge and Chilled Water Expansion. That is a project that we recommend that we do. Before we can do any of the work on Neptune, which we anticipate at some point in time we would do, we have to complete this project. Basically if we're going to put air conditioning into Neptune we have to enlarge the size of the pipes going into the building and make other infrastructure improvements; that's what this project does. The other three projects are parking lot reconstruction projects. We could use some of those funds for the Holmes project and still have a little bit left over to maybe not completely do a reconstruction but repair the parking lots as needed, or look to other funds that we could use for those purposes. That's the Build America Bonds, we have about \$23 million of the \$23.7 million. If you exclude the one project we would have roughly \$22 million of Build America Bonds that would be available to cover the \$19.7 million in Phase I. There are other funds that are available, but we do not recommend that they be used for this project. We have equipment reserves, repair and maintenance reserves, and utility reserves. The repair and maintenance reserves basically are for the repair and replacement of facilities that are in the system. We currently have a number of projects being funded through these reserves. They also offset the fluctuations in the revenue levels from some of the auxiliary operations such as Holmes Student Center, the housing requirements, and they also go to pay down some of the other bond funds that have been used for other construction projects. We have to maintain a reserve in the repair and replacement reserves. Currently the requirement is \$1.3 million. We're well above that. We have \$14 million remaining but these are funds that basically are to offset that fact that we do not have any renovation or maintenance or capital renewal funding from the state and have not received any for a number of years. That gives us some funds to take care of our aging infrastructure and repair things that have to be fixed. Equipment reserve is for the repair and replacement of equipment. There is no minimum for this; we are nowhere near the maximum. We have about \$10 million in that fund. The last fund is utility stabilization

fund. That was originally set up to address fluctuations in energy costs from a few years ago. Energy costs are much more stable now. However, it also provides funding for the repair and replacement of systems or equipment. Currently we have a boiler. It's about 50 years old. In some point in time in the near future, it is probably going to have to be replaced. That's probably a \$2 million project. These funds would help us offset those costs. Once again, the alternative is operating funds. The other thing this gives us funding to do is that, in event of a natural or mechanical emergency, we could use these funds to continue in the short term until we could address the issue or problem on a more permanent basis. The only other funds that we would have available would be operating funds, and of course we recommend that we not use operating funds for capital projects.

Chair Butler asked, the repair and replacement, the equipment reserve, and the utility stabilization fund are all auxiliary?

Al Phillips answered, they are associated with the auxiliary enterprises. In many cases students pay fees, some of which helps fund these reserves over and above the cost to run the enterprises. They also offset revenue fluctuations between the auxiliary services that actually do produce revenue for the University.

Chair Butler asked for questions.

President Baker added, I want to be clear about auxiliary services dollars versus the operating dollars and Build America Bonds. We're going to talk about our operating budget here in a few minutes, and we're looking at pretty big numbers here, and you might say why don't we spend that to solve our problems, and the answer is we can't. The bond funds were sold with covenants to use these on capital projects, and so it's non-transferable money. As much as that would be a nice cushion, we can't do it. It's not legal. That's why we're looking at this money, and we think we need to spend it for its greatest and best use. That's why we're going through this extensive planning process. I just wanted to make very clear to people that while there may be money here to spend on capital improvement, it's got to be spent on capital improvement. It can't be spent on operating things.

Trustee Strauss asked, do we have any sense as to whether there is an annual increase and what would be left in the repair and replacement reserve?

Al Phillips responded, we try to build those up over time. Typically we determine what would go into the reserves, or out of the reserves, at the end of the year once we determine what our revenue expenses have been for the year. I think over the past few years the amount of funding that we have put into these to build up has declined over time. I don't think the reserves have increased over the last couple of years and actually may have declined somewhat.

Chair Butler asked whether there were other questions about the funding source available from the Board members? Thank you. Again this is an information item and this concludes our discussion. I want to make sure that we're done talking about it. Trustee Strauss?

Trustee Strauss commented, I may want to come back to this after we get the long term student housing plan for some further discussion.

Chair Butler replied, we'll move then to the next item, Item 7.b. which is a discussion of the long-term housing plan.

### **Information Item 7.b. – Long-Term Student Housing Plan**

Eric Weldy presented Information Item 7b, Long Term Student Housing Plan. Good afternoon everyone. What I want to do this afternoon is to discuss where we are currently as it relates to housing on campus. Many times I get questions in regards to how many beds do we have, what are some of the maintenance issues in regards to housing on campus, and so forth. But I also want to share information in regards to looking towards the future as it relates to housing on campus, and so this is a great opportunity to go

over these things. Although Al went over this information in regards to the Build America Bonds, I just want to share a bit in regards to the funds going towards housing upgrades. One is in regards to Grant Tower C and D. All living areas were completely renovated, new moveable furniture, remodeled bathrooms with enhanced privacy. Also, we're all familiar with Gilbert and the renovations there, and obviously very popular amongst our student body as well as faculty and staff in regards to dining in Gilbert Hall. And finally, Douglas demolition as well, as everyone is familiar with that, and what we plan to do with Lucinda. Currently we have 4550 beds that are available, and you see the list of residence halls and the number of beds that are available. We have a couple of areas that are offline, that being Grant South and Lincoln Hall, and we have a total of 1936 beds we are not using in regards to those halls. You may remember last fall, fall 2014, coming into the school year, that we basically had an over assignment in regards to the number of students that returned and new students living in the residence halls. I think we're over about 75 or so. So what we did was, with that increased number of students, we temporarily put them in lounges, and I believe that we also had some students as well in the Holmes Student Center. Usually that lasts maybe a couple of weeks or so. What happens is that not everyone who said that they're going to come to school come, and so it gives us an opportunity, just about a couple of weeks or so, to house those students in permanent rooms. It looks like we may have somewhat of that situation coming into this fall, but what we could take in regards to capacity is anywhere between 80 to 100 students that did not have actual beds in rooms. We have the extra space in regards to lounge space and so forth to house them for a few weeks. Just another comment as well in regards to Lincoln Hall and Grant South, obviously it makes more sense that if you know whether it's 10, 15, 75, 100 students over in regards to capacity, it makes no sense to open up an entire residence hall in order to house those students just because of the cost; the cost of utilities, the cost of rooms being renovated as well as hiring staff to work in those facilities. I want to give you an indication of what it would take to reopen Grant South as well as Lincoln Hall. Lincoln Hall, for example, is not accessible in regards to those who are physically challenged or handicapped, and so things would need to be upgraded or renovated. Lack of air conditioning, leaks, and some other things would have to be addressed, just to give you an indication of what it would take. With Grant South, the major issue there is a lack of sprinklers which would have to be addressed. I want to give you an overview of the residence halls in general. There are a few that I'll highlight here in regards to major or minor repairs and some maintenance that's needed to give you an indication of some of the things that we're looking at. For example, in Northern View, we need to install SMS card readers on all exterior doors and ADA door openers. Obviously there are safety and accessibility issues in regards to upgrading and making changes with Northern View. These are some of the general kind of maintenance needs that we have throughout the residence halls. Roof repairs, obviously for those of us who are home owners know from the standpoint of upkeep and so forth. Elevators as well. Many times the focus may be on some of our administrative buildings, but obviously we have elevators in our residence halls, and those areas have some of the same issues. Bathrooms, in regards to upkeep, renovation as well as ADA upgrades in which we definitely have to comply. I want to talk a little bit in regards to new freshmen occupancy in the residence halls to give you an indication of where we have been. If you look to the far right of the slide beginning in 2005, obviously we had more students, new freshmen entering and living in the residence halls, but if you go from right to left, you see the decrease as we go to fall 2014, but what I want to focus in on here is from the standpoint of looking at enrollment occupancies for new freshmen. On average about 92.2% of our new freshmen end up living in the residence halls. We require our new freshmen to live in the residence halls. Obviously we never get to 100% because of the student situation, they may be a non-traditional adult student with family and so forth, but I think that 92.2% is pretty good. In regards to incoming or new transfers, roughly 27% of new transfers end up living in the residence halls. In looking at returning students, if you look at new freshmen who live in the residence halls their first year, that freshmen year, and then returning for their sophomore year, usually about 32% of that group return to the residence halls. About 7% become commuters, about 13.5% enter Greek housing. That's a total of 52.5%. Then you have the group who basically decide not to reenroll at the University. That's roughly 28.6%. But then you have about a 19% group that we consider original cohort as a market share. They are basically open for us to go after to attract them to the residence halls. As we talk about the future I just want to talk about some factors that will impact from the standpoint of attracting students to our residence halls. Obviously one is pricing and student choices. I think that we're all familiar with how popular New Hall is with our new students coming in, and there are times when even I get e-mails from parents and alumni who know a

new freshman that's coming in, they want to get into New Hall. I can't play favorites, and I always tell them there's a process to all of these things, but New Hall obviously is very popular because of the recent renovations. An interesting thing here is that although every student coming in would love to live in New Hall, all of them are not able to. Some of that has to do with affordability for the student. Those who are able to pay the added costs to live in New Hall are able to do so. But those who are not usually end up in Neptune Hall. So we've had some discussion about Neptune, and I'll speak a little bit at the end in regards to Neptune. Also, other factors is competition. You may be familiar with the University Plaza and the recent renovations, and I know that there are other possible areas as well as we look at landlords and some of the changes that they're making to attract students. Obviously some heavy competition. So we're competing not just against other universities from the standpoint of attracting students to our university, but once our students make that commitment to come here, to enroll at NIU, then it's from the standpoint of competing locally in regards to whether or not the students will decide to live on campus or not. We have really been blessed the past few years in that the number of students returning to the residence halls has increased over the past couple of years. A lot of that has to do with some of the changes that we have made before I arrived here and then some of the changes that we have begun to make in the past couple of years. A two-day orientation; the president spoke a little bit about orientation, the two-day orientation, and some of the good things that have been happening. It's definitely to our advantage to have parents and families living in the residence halls for that two-day orientation. Not just the students, but the families as well because they get a sense of what it is like to live on campus and to be on campus. We received a lot of good, positive feedback from parents. I think that will help us in the long run as well. A lot of people don't realize this but orientation also impacts retention. Families have an opportunity to stay on campus longer, there's a lot of other activities that they're involved with on campus, and so that really allows them to connect and really engage within our campus community. A lot of people may not know this, but we do look to generate revenue as it relates to attracting outsiders to come to the university community and host their programs or conferences and activities. A challenge that we've had over the years is that we haven't been centralized in doing that. For example, let's say a band wanted to utilize our facilities in Athletics, they would touch base with Athletics. They would touch base with Holmes Student Center and other areas from the standpoint of dining and food and living on campus. They would look at space but they have to go from one area to the other. So we thought it would be great if we could work together, if we could look at spacing, if we could look at pricing, if we could look at ways that we could market our university community because we do have some very good facilities here. Yes we've been talking today about making improvements, but we do have some facilities that are very attractive to others, and we need to work together in regards to how do we bring in more revenue, generate more revenue. In terms of university dining strategy, we have developed a plan for building a more cohesive dining experience across campus. Finally, changes in meal plans. When I talk about generating revenue, we've made some changes in the meal plans recently which has allowed us to increase revenue by \$1.2 million in FY15. Some of those changes include an increase in off-campus meal plan sales as well as faculty and staff meal plans. We're looking at summer meal plans, international programs, and other things that have impacted. As we look to centralize a lot of these operations, I think that we'll see more increases and more success as we move forward. As we talk about long term plan with housing, where do we want to be as we look towards the future? I think Gilbert was the first big step from the standpoint of how do we increase student flow, student traffic to the core of campus, the central part of campus. I mention Gilbert as I did previously because it's not only popular among our upper classmen, but our faculty and staff also utilize the dining services there. So we have an opportunity for our students to interact more with our faculty members outside of the classroom, and I think that this just enhances student relationships, student/faculty relationships on campus, and obviously there's a lot of activity in Holmes Student Center. Those in Student Affairs consider the Student Center as the living room or the family room of the campus community. All the activity happens there in the center part of campus. It obviously makes sense that as we look at housing, we really need to look at how we can increase student traffic flow living in that environment. The central part of campus is our academic core part of campus with the library, the academic buildings. So it makes sense, as we look at Neptune, that we make some appropriate changes. What I have listed here is looking short term with Neptune. I know that we had the big presentation in regards to the different phases of what we would like to do with Neptune, but I will tell you, and I'll just be frank, that Neptune is no New Hall, but when you look at the facility I do think that the students who live in Neptune love the experience there. In



order to make it more attractive, there are some things that we can do to improve Neptune. I just listed a few things here in regards to replacing student room furniture, replacing hallway carpet, refreshing Neptune west lobby, replacing hallway ceiling and lighting. I had an opportunity to sit and listen to some of the students give their feedback as it relates to the Neptune project, and one thing is for sure that the students who live in Neptune, who live in the central part of campus, they really love it. There is a lot of conveniences for them in regards to location and some other things, but I also think that they want to see some improvements with Neptune as well. Questions, discussion?

Trustee Strauss asked, it would appear that you're essentially in balance between housing and demand at least at the start of a semester. At the end of a semester how many vacancies are there?

Mike Stang answered, (no microphone) I would say hundreds because we lose a number of students at the end of semester because of graduation and other reasons (inaudible.)

Trustee Strauss then asked, what projections do you have regarding what the future enrollment is going to look like, I'm not talking about three weeks from now, but a year after that, two years, three years; so that we might gain some appreciation for whether there would be a demand to bring additional rooms back into the system.

Eric responded, I think there's a lot of things that factor into that in regards to increasing enrollment, and I really don't like to get into giving predictions in regards to numbers, but I will tell you this, we're putting in place the infrastructure within admissions and other areas on campus to give us a better opportunity to be more competitive as it relates to increasing enrollment. This year we'll see some improvements in regards to retention of our students; that has been a major focus over the past couple of years. For those who will attend the leadership retreat tomorrow, you'll see really in detail the changes that we're making as it relates to recruitment of more students on campus.

Trustee Strauss questioned, let me maybe try and come at this in a slightly different way. Let's say that you're successful and we have a demand for another 500 rooms for the fall after this one, how long would it take you to prepare 500 out of service rooms and put them back in service to be able to meet that demand?

Eric replied, I would hope that I would have more than just the summer to be frank. If I had a choice in regards to long term, looking at the unused space that we have now between Lincoln and Grant South, I would choose Grant South long term as it relates to what needs to be done for that building. Could we do it over a summer, possibly, but I wouldn't, there's no way that I would want to do anything like that. That would be nuts. So I think that we would need at least a year out.

Trustee Strauss continued, so if we're trying to think that far out and we're thinking about Grant, we have a budget to do pretty much the entirety of Grant, but what would the budget be to bring back pieces of it, and does that include the grant core which at one point we had done some financial forecasting on? We've approved replacing the roof which was work that I saw was going on, but we haven't done anything to the core of Grant other than put a roof on it at present.

Eric answered, no, I don't think so.

Trustee Strauss asked, do we have any idea what those dollars might look like?

Al Phillips responded, I don't think we have those numbers right now but we could certainly get those for you.

Trustee Strauss continued, the reason I'm asking these questions is that if we don't have any other reserve to devote to these purposes, and the only money that we have between Holmes and other projects is what's left in Build America bonds, and we qualified Grant to use Build America bond funds if we wanted to use them, then I guess the question is between doing work on Holmes, which I think

everybody has said they agree in principle will help revitalize campus, or what's necessary to be able to allow us to house students that we require to live in a residence hall, how do we make that balance and when do you pull the trigger on it? If we committed all of the available funds to Holmes and we wound up having enrollment go up, how do we house the additional students that would come from our success in the enrollment effort?

Eric responded, I need to make one more comment in regards to enrollment. It's very unusual for a university to, in the span of just one year, increase their enrollment 500, 1000, or 1500; that is quite unusual. It happens gradually, so you have some time to prepare.

Chair Butler asked, the Build America bonds have an expiration, am I correct? So the question of what we spend the Build America bonds on expires at the point at which we can no longer spend those funds.

Al Phillips responded, I think that although we do have time, we have been advised that it would be in our interest to spend them sooner rather than later.

Trustee Strauss agreed, it would be in our interest to spend them sooner rather than later because we're paying interest on them and they're not generating any income, but I think all I'd like to do is to make sure that we understand what all of the potential uses are and that we have some sort of a financing plan to be able to accomplish what we need to in both regards.

President Baker commented, Trustee Strauss, excellent points and excellent questions. I think we need to look at the ecosystem of the funding for these projects and how they fit together, and I appreciate the campus core Neptune, Holmes ecosystem that the folks have put together. Going forward with housing, it looks to me like we've got adequate stock for the next few years giving the current enrollment projections for incoming students, the demography of the state, the competition, etc., I don't think we're going to get 1000 student turn around in one year, which is what we would need to get to the point where you were concerned, so pretty unlikely there. If we did, I'd love to have that problem and we'd love to have to push forward a fast remodel of one of the facilities. In that case, one of the things you have to do in Grant is put in sprinklers and that's a pretty labor intensive, construction intensive effort. Lincoln is sprinkled, and so you wouldn't have a major capital construction. It's more refurbishing and getting it going and that's a couple million bucks as we saw in here. There's probably that much slack in the auxiliary reserves that Al showed you. So I think if we got into that wonderful predicament of having too many students, in that regard we'd have enough to get at least Lincoln open and students housed in it. I think we're working with a net so to speak, and we wouldn't crash. I feel okay about thinking about the Build America bonds. Let's say we decide Holmes is the opportunity for us for those, I don't feel like we've closed the doors and boxed ourselves in.

Al Phillips continued, the other point I would make is if we do have 1000 more students, that would certainly improve our fiscal situation and my guess is would provide sufficient funds to make whatever improvements we need to make to bring additional housing capacity on line.

Chair Butler asked whether there were other questions from the committee members regarding housing? Thank you very much Dr. Weldy. We appreciate the presentation and the candid assessment.

### **Information Item 7.c. – FY16 Budget Development**

Chair Butler asked, can we briefly then touch on the budget update. Given the time, we're scheduled to have an executive committee meeting in five minutes; we still have a closed session for this committee. So obviously we're going to go over that, and the executive committee meeting is going to start later. We can talk at the end of this meeting how we might accommodate anyone who wishes to know when that starts, but let's move to the budget update.

President Baker began, maybe if I could just give a preamble there, and you can decide how much you want Al to go through the whole budget update. This is an information item on the fiscal '16 budget

development, and since the committee will be asked to approve a budget in the August 27<sup>th</sup> meeting, I'd hope to take this opportunity to provide the committee with some background information that would jumpstart the important budget conversations that will soon take place. Unfortunately, as we all know, there is still an impasse and a battle of wills going on in Springfield. We continue to remain positive that we're going to have the resources necessary to weather the storm and get through an entire academic year even with the stuff going on in Springfield. We still have resources coming in from the state, about \$10 million coming in from the state, from last year's budget; we'll soon have an incoming class and the tuition revenues from that incoming class; and, I think we've got enough money to get us through this year. So I think that's a good thing, and we've got the budget guidance that you've received, fiscal year '16 budget guidance document, that Vice President Philips put together along with his staff. It provides the campus community with a budget context and lays out the steps that will be taken to develop the budget this year. Again, we know that the state funding and other revenue sources will likely decline. There's going to likely be some budget reduction and some tax increase, we're guessing, in the state, and there'll be an equilibrium that's gotten to. The question right now is how much and to what extent? So we're planning those contingencies. We're working through all the vice presidential divisions out through the colleges, and AI continues to work with the campus leadership and budget staff to develop spending plans to live within our projected means. With his continued work, we're identifying ways to become more efficient and effective and live within those means. This budget update kind of overviews that, and we can go through that in detail, or not, depending on how much you want to go into it.

Chair Butler explained, I've had the advantage of talking to AI before this meeting so given what Dr. Baker just provided I'm comfortable not having to go through this presentation, but this is entirely up to the committee whether it has questions, if it wishes to receive the information from the Vice President, or whether we want to defer this to the next meeting of the committee. Any thoughts?

Trustee Strauss commented, this information looks to be pretty straight forward now that we've received it. I'd be perfectly content to review it outside of this meeting.

Chair Butler moved to the next item on the agenda, to move to a closed session. Before we do that, I want to say that, for the closed session, we're approximating 45 minutes. With the time that it takes to get to the room and the restrooms, and then return back here, that means we won't begin the executive committee meeting until noon. I could be wrong about that, so if you feel that you need to be here for the executive committee meeting, I'm going to ask that you speak to the Board Liaison Mike Mann who will make sure that you receive a text message as to when the Board comes back just so you don't miss it.

#### **CLOSED SESSION**

Chair Butler stated, so the committee needs to go into closed session now, and we'll reconvene in approximately 45 minutes. We don't have any business after we reconvene, however, keep in mind that we have an executive committee meeting so I don't want to mislead people into thinking nothing is going to happen after that. May I have a motion to close the public meeting to conduct a closed session to discuss the following subjects authorized by the Open Meeting Act; personnel matters as generally described under sections 2.c.1, 2, 3 and 21 of the Open Meetings Act. Is there a motion?

A motion was made to close the public meeting by Trustee Strauss; seconded by Trustee Marshall.

Per Chair Butler's instruction, a roll call vote was conducted. Recording Secretary Kathleen Carey conducted a roll call of the trustees. Members present were Trustee Robert Boey, Trustee Raquel Chavez, Trustee Robert Marshall, Board Chair Marc Straus, and Committee Chair John Butler.

Adjourned for closed session at 11:00 am

Return from Closed Session at 11:45 am

Chair Butler opened, ladies and gentlemen we are reconvening from the closed session from the Finance, Facilities and Operations Committee. It is August 6, 2015.

Recording Secretary Kathleen Carey conducted a roll call of the trustees. Members present were Trustee Robert Boey, Trustee Raquel Chavez, Trustee Robert Marshall, Board Chair Marc Straus, and Committee Chair John Butler.

#### **OTHER MATTERS**

Chair Butler asked if there were any other matters to come before the committee. There were none.

#### **ADJOURNMENT**

A motion was made to adjourn by Trustee Strauss; there was a second. All were in favor. None were opposed. The motion carried.

Meeting adjourned at: 11:50 a.m.

Respectfully submitted,

Kathleen Carey  
Recording Secretary

*In compliance with Illinois Open Meetings Act 5 ILCS 120/1, et seq, a verbatim record of all Northern Illinois University Board of Trustees meetings is maintained by the Board Recording Secretary and is available for review upon request. The minutes contained herein represent a true and accurate summary of the Board proceedings.*