

REVISED
Correction on page 8

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

System Administration, Las Vegas
4300 South Maryland Parkway, Board Room

Thursday, January 30, 2020

Video Conference Connection from the Meeting Site to:
Desert Research Institute, Reno
2215 Raggio Parkway, Stout Conference Room A
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present:

Dr. Jason Geddes, Chairman
Dr. Mark W. Doubrava, Vice Chairman
Dr. Patrick R. Carter
Ms. Amy J. Carvalho
Mrs. Carol Del Carlo
Mr. Trevor Hayes
Mr. Sam Lieberman
Mrs. Cathy McAdoo
Mr. Donald Sylvantee McMichael Sr.
Mr. John T. Moran
Mr. Kevin J. Page
Ms. Laura E. Perkins
Mr. Rick Trachok

Others Present:

Dr. Thom Reilly, Chancellor
Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
Mr. Andrew Clinger, Chief Financial Officer
Mr. Michael Flores, Chief of Staff to the Chancellor
Mr. Dean J. Gould, Chief of Staff and Special Counsel to the Board
Mr. James J. Martines, Deputy General Counsel, Real Estate
Mr. Joe Reynolds, Chief General Counsel
Dr. Kumud Acharya, President, DRI
Ms. Joyce M. Helens, President, GBC
Mr. Bart J. Patterson, President, NSC
Dr. Karin M. Hilgersom, President, TMCC
Dr. Marta Meana, President, UNLV
Dr. Vincent R. Solis, President, WNC

Faculty senate chairs in attendance were: Dr. Amanda Keen-Zebert, DRI; Mr. Theo Meek, SA (Vice Chair sitting in for Ms. Brigitte Glynn, SA); and Dr. Janis McKay, UNLV.

Chairman Geddes called the meeting to order at 10:00 a.m. with all members present. Regent Carvalho led the Pledge of Allegiance.

1. Information Only – Public Comment – Mr. Warren Hardy spoke in favor of the UNLV Medical Education Building Project. He thanked those involved in the process.

Mr. Robert Manis and Ms. Staci Walters, CSN Nevada Faculty Alliance (NFA), spoke regarding the CSN Collective Bargaining process.

2. Approved – Consent Items – The Board approved the consent items.
 - 2a. Approved – Minutes – The Board approved the minutes from the October 18, 2019, Board of Regents' special meeting. (Ref. BOR2a on file in the Board Office.)
 - 2b. Approved – Procedures and Guidelines Manual Revision, Student Fees – The Board approved the Procedures and Guidelines Manual revision addressing the student fee change for TMCC (Chapter 7, Section 12). (Ref. BOR2b on file in the Board Office.)

Regent Del Carlo moved approval of the consent items. Regent McAdoo seconded. Motion carried.

3. Information Only – Campus Master Plan 2020, UNLV – UNLV President Marta Meana and Mr. David Frommer, Associate Vice President of Planning, Construction and Real Estate, UNLV, updated the Board via a PowerPoint titled, "UNLV Campus Master Plan 2020." (Ref. BOR3 on file in the Board Office.)

In response to a question from Regent Hayes regarding ownership of the land above the landscape improvement area on slide 2, Mr. Frommer stated UNLV does not own the land but was talking about the property as a potential site for intramural fields and parking. The site is owned by Clark County and managed by the Department of Aviation. There are flood control issues in the area, and at this time, Clark County is determining if it will put a flood detention facility on the property.

Regent Page asked if UNLV owns the property that is in red on the master plan. Mr. Frommer responded UNLV does own the 69 acres shown within the red perimeter. The land to the south and east is owned by Clark County. There are cooperative agreements in place that allow UNLV to use the property for parking. The property to the north is private single-family development.

In response to a question from Regent Page, President Meana stated appraisals are contingent on the land use. Once UNLV has specifics on the land use, it will come to the Board with the appraisal figures.

4. Approved – Medical Education Building Project, UNLV – The Board approved the Medical Education Building (MEB) Project and the agreements reached in cooperation with the Donor Group of the Nevada Health and Bioscience Asset Corporation (NHBAC), as set forth in the following documents accompanying this agenda item: 1) the Development Agreement for the UNLV School of Medicine; 2) the UNLV Medical School Building and Ground Lease; 3) the MEB parcel deed transfer to the NHBAC; 4) the MEB parcel deed transfer back to UNLV; and 5) the Declaration of Covenants, Conditions and Restrictions for the UNLV Medical School. The Board authorized UNLV, subject to approval by and in consultation with the NSHE Office of the Chancellor, to take all actions necessary to further effectuate the terms and conditions of the MEB Project, including, but not limited to, drafting a letter of support on behalf of the NHBAC for non-profit federal tax-exempt status and seeking approval from the Board of Clark County Commissioners to amend and/or remove the current deed restrictions on the MEB parcel. (Refs. BOR4a, BOR4b, BOR4c, BOR4d, BOR4e, BOR4f, and Supplemental Material on file in the Board Office.)

Regent Hayes disclosed his ownership of commercial property in the Las Vegas Medical District. He disclosed the relationship under NRS Chapter 281A, as recommended by the Nevada Commission on Ethics and Special Board Coum5om the2 504.129-1 (M6(c)4 (s)-2 (0.004 Tw GR)TJO

4. Approved – Medical Education Building Project, UNLV – (Continued)

Much care was taken into the preparation of the documents. The documents were worked on collaboratively by a dedicated group from NSHE, UNLV, and the Donor Group.

Chancellor Thom Reilly appreciated all involved to bring this to fruition. NSHE welcomes the private support of the project.

Vice Chairman Doubrava stated he is excited about the project's potential. He thanked President Meana, Chancellor Reilly, the attorneys on both sides, and the Donor Group for their hard work.

Vice Chairman Doubrava moved approval of the Medical Education Building (MEB) Project and the agreements reached in cooperation with the Donor Group of the Nevada Health and Bioscience Asset Corporation (NHBAC), as set forth in the following documents accompanying this agenda item: 1) the Development Agreement for the UNLV School of Medicine; 2) the UNLV Medical School Building and Ground Lease; 3) the MEB parcel deed transfer to the NHBAC; 4) the MEB parcel deed transfer back to UNLV; and 5) the Declaration of Covenants, Conditions and Restrictions for the UNLV Medical School. The Board authorized

4. Approved – Medical Education Building Project, UNLV – (Continued)

Regent Trachok asked if the Donor Group fails to raise the needed funds by February 1, 2021, does the property automatically revert to UNLV, with Chief General Counsel Reynolds responding yes. Chief General Counsel Reynolds added that it is not explicitly tied to the funding, but to the commencement of construction. The Donor Group is responsible for the financing, and there is no specific benchmark in the Development Agreement regarding funding targets.

Regent Trachok clarified if construction begins and all funds have not been raised, the property will remain with the Donor Group, with Chief General Counsel Reynolds responding yes.

In response to a question from Regent Trachok related to provisions in the Development Agreement that will protect the University if the property is tied up in litigation, Chief General Counsel Reynolds stated there are (t)-2 (ita)-4 also ar(sirtatee Tw (fb)-3 (hn)2 J0 l th2 (n)To (n)Ju

4. Approved – Medical Education Building Project, UNLV – (Continued)

Regent Trachok asked if a contract is signed by a contractor and all the funds are not raised, and midway through the project, the construction stops because there is a dispute or there are not sufficient funds to finish, does the project automatically revert back to UNLV. Chief General Counsel Reynolds stated it does not happen automatically. There is a provision in the Development Agreement that a conditional certificate of occupancy is required to be issued by February 1, 2024, prior to the 2025 completion date. All contract remedies under Nevada law are available to the Board of Regents to address this concern.

Regent Trachok clarified that if UNLV takes control of the project, then it will be stuck with the construction design and the building completed to that point from the Donor Group. Regent Trachok asked if UNLV will be forced to complete the project as envisioned by the Donor Group or by UNLV's project vision. Chief General Counsel Reynolds stated that if there is a half-completed building on the property, it will ultimately turn back to the Board and the Board will still be able to modify and complete the construction. He added the Board of Regents and UNLV would have the value of the building and the added benefit of the work already completed.

Chief General Counsel Reynolds stated Mr. Hardy has indicated that the Donor Group has no intention of commencing construction until the adequate funding is in place.

Regent Trachok asked what protections are in place to protect UNLV from mechanics liens. Chief General Counsel Reynolds stated all remedies are available under Nevada law. Regent Trachok clarified NSHE would have all legal rights to litigate.

Regent Trachok stated the property is being deeded over to the 501c3, and unlike typical financing situations where the lender is assured that it is in the first position, that is not the case on this project. Regent Trachok clarified if there is a problem during construction when UNLV gets the property back, it will be subject to the liens on the property, and it has all of its rights under NRS. Chief General Counsel Reynolds agreed and noted that circumstance is faced with other real estate projects and concerns.

In response to a question from Regent Trachok regarding title insurance or any other protections to ensure UNLV receives back a clear title to the land, Mr. Michael B. Wixom, Special Counsel, stated there are provisions that are relevant. First, there is a prohibition against financing for the construction of the project. The Donor Group would not be able to encumber the project with liens as a way to get financing. Second, there is a prohibition against the imposition of liens against the property during construction. If there were liens in place, that would be a violation of the Development Agreement. Mr.

4. Approved – Medical Education Building Project, UNLV – (Continued)

4. Approved – Medical Education Building Project, UNLV – (Continued)

conditions attached to the gift or potential gift to be unacceptable. This is a difficult decision. As trustees we must weigh the interest of our present and future students with our obligations as trustees of the System. Sometimes the price of a gift is too high. For me, in this case, it is too high. Thank you.”

Regent Lieberman stated this is historic for UNLV SOM. Nevada students have always had an excellent medical education, but it will continue. He was concerned that in 2031 when this contract ends that it be treated with the same oversight as any other building is treated in the UNLV Master Plan and campus structure.

Regent Carvalho stated as someone who struggled to find healthcare for a family member, a future with more doctors in southern Nevada ()-10 (e)4 (e)4 1 (t)-2 (oo h(t)-2 (r)3 (nd)Tb.MC 1