

**FLORIDA POLYTECHNIC UNIVERSITY
OPERATIONS AND FINANCE & AUDIT COMMITTEE
JOINT COMMITTEE MEETING MINUTES**
**One Poly Place
439 S. Florida Avenue, Suite 100B
Lakeland, FL 33801**
February 25, 2013 at 3:00 p.m.

1. Call to Order and Roll Call

The Operations Committee and Finance & Audit Committee joint meeting was called to order by Chair Frank Martin at 3:22 pm.

Debbie Angleton called the roll and the following Committee Members were present: Chair Frank Martin, Vice-Chair Mark Bostick, Trustee Bill Brown, Trustee Kevin Hyman and Trustee Bob Stork. Other Board Members present were: Board Chair Rob Gidel, and Trustee Don Wilson.

Others present: Ava Parker, Ghazi Darkazalli, Pete Karamitsanis, Bryan Mehaffey and Cindy Alexendar.

2. Phase I and Phase II

Pete Karamitsanis gave an update on Phase I and Phase II of the construction site of Florida Polytechnic.

Pete Karamitsanis made a presentation to the Board to obtain their recommendation on the hybrid building – combining some of the elements of two buildings into one by incorporating some of the elements of the Wellness Center with the first residence hall. This would allow the Board to push out the construction of the Wellness Center (the bigger building) until a later date.

The Committee reviewed five possible timelines for the phases of the buildings and discussed the benefits of going with a hybrid building.

Chair Martin asked for feedback from the Board for discussion of combining the two buildings into one.

Chair Martin advised that in terms of the requirements of the legislation, the statute calls for Florida Poly to have a certain number of beds on campus within a certain timeframe.

Pete Karamitsanis advised that it would not make financial sense to do temporary housing. He advised we could build the residence hall and add on to it at a later date.

There was much discussion on the cost of the two buildings (Wellness Center and residence hall) versus the cost of the one building. There was also much discussion on the cost per square foot and funding of the buildings.

Pete Karamitsanis advised that staff's suggestion was to combine options four and five. This will narrow down three buildings to only two buildings.

Trustee Kevin Hyman made a motion to accept the concept of combining options four and five as described in the presentation. The motion was seconded by Vice-Chair Bostick. A vote was taken and all were in favor of combining options four and five.

Pete Karamitsanis advised that the Campus Control Center had a \$3.5 million budget that was approved in May, 2012. The Notice to Proceed (NTP) has been issued, the permits are in the process of being issued, and construction will begin. Pete Karamitsanis also advised that they are requesting the Committee to approve the COO to authorize the NTP for the IT and equipment.

Ava Parker advised this would not interfere with their previous decision regarding looking at other avenues; this is just for this portion. Pete Karamitsanis added that the funds have been appropriated and encumbered and what they currently need is a NTP.

Trustee Bostick said that within the last year or two prices on IT equipment have typically gone down, so if an estimate was originally given two years ago, are we looking at saving money today for that estimate? Bryan Mehaffey advised that one of the big things that we have to work with is the lead time on the equipment and the centrifugal chillers that are going in the building. He advised that they have been able to do a lot with the technology and with building an integration platform. They were able to integrate the second chiller in the same package without having to increase the cost of the building.

A motion was made to move forward with having the COO authorize the NTP for the IT and equipment. The motion was seconded. A vote was taken, and all were in favor of having the COO authorize the NTP for the IT and equipment.

Chair Martin advised that the Committees would still be looking at the project going forward as the goal is still to look for cost savings. Pete Karamitsanis advised the prices were negotiated prices. Chair Martin requested that it be noted that Florida Polytechnic is looking at every opportunity for cost savings.

Bryan Mehaffey explained to the Board the brand new technology of frictionless magnetic chiller that uses atomic submarine technology.

Pete Karamitsanis advised that we now have the backup documentation that the county needs to approve the first invoice. We should be able to get them the invoice sometime in May/June 2013. The agreement is that we are getting up to \$10M from the county in three annual payments. The first one is in this fiscal year. The county fiscal year starts in October.

Pete Karamitsanis continued with the update and advised that the lab designers, architect and Dr. Ghazi Darkazalli met to discuss the flexibility of the labs and Dr. Darkazalli requested to take the six science labs and increase them from the capacity of 16 people to up to 24 people. The design team will be submitting a proposal to look at the capacity increase, as they confirmed in their meeting that an increase would be possible. Pete Karamitsanis received a letter from Life Safety advising that it would be possible to increase the lab capacity to 24 people per lab (1 instructor and 23 students).

Trustee Stork made a motion to accept Pete Karamitsanis' recommendation to change the lab capacity from 16 to 24 people. Frank Martin seconded the motion.

There was some discussion on the design of the labs and possible changes to the design/structure. Pete Karamitsanis will look at the structure of some of the labs for potential to install larger doors so that larger equipment can be brought into the labs.

Pete Karamitsanis advised that on April 9, 2013, they will submit to the Committee the backup material for part 3 and phase 1 for approval. The week of April 15, 2013, they will ask the Committee to approve part 3 and recommend to the Board that the Board approve the same in the May 7, 2013 Board of Trustees meeting.

Pete Karamitsanis gave an update on the “Topping Out” event scheduled for Tuesday, April 16. Ava Parker advised that the Foundation would be taking the lead on planning and organizing this event.

3. Finance & Budget Report

John Gray went over the finance and budget report and reported on net assets. He is working with UF to be able to give a month to month/year to year comparison report. John Gray also reported on the current contract with Skanska and the “Forecast of Cash Flows by Fund/Account.”

There was much discussion on the budget to date and the budget/projected construction costs going forward. Ava Parker recommended that in light of the budget figures that the University not ask for any additional funding, as we are able to work with what we currently have.

A motion was made to accept Ava Parker's recommendation not to make a request to the legislature for additional money based upon the information provided by the Strategic Planning Committee and Dr. Darkazalli on the programming for the University. The motion was seconded, a vote was taken and all were in favor of the motion.

4. Construction Update

Brian Mehaffey updated the Committee on the construction update of technology. He presented an update on the chillers and pathological networks (bandwidth inside the classroom). He advised they have a contingency plan for communications to this facility location (439 South Florida), the joint facility at Polk State College, and the Florida Polytechnic University Campus site.

Bryan Mehaffey advised that he has requested 2 gigabytes for the Florida Poly Campus. Bryan Mehaffey recommended that we bundle the services, internet access, FLR connection, the cable television connection, and our voice trunking connection into a single RFP (Request for Proposal).

Bryan Mehaffey advised that the Florida Polytechnic email addresses have been setup for each of the Board members. The Florida Polytechnic website has also been set up.

5. Foundation Update

Ava Parker gave an update on the Foundation. Cindy Alexander (founding member) was in attendance at the Committee meeting.

6. Chair Gidel asked for a status on the transfer of the Foundation money. Staff is in the process of working with the IRS to get 501(c)(3) status and also determine what money should go from the USF Foundation to the Florida Polytechnic Foundation.

With no further business to discuss, the Operations Committee and Finance & Audit Committee joint Committee meeting adjourned at 5:55 p.m.