



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
FULL BOARD MEETING
OCTOBER 14, 2013
MINUTES**

1. Call to Order and Chair's Remarks

Chairman Albert Maury convened the meeting of the Florida International University Board of Trustees at 2:20 p.m., on Monday, October 14, 2013, via conference call.

The following attendance was recorded:

Present:

Albert Maury, *Chair*
Sukrit Agrawal
Jorge L. Arrizurieta
Robert T. Barlick, Jr.
Marcelo Claire
Mayi de la Vega
Gerald C. Grant, Jr.
C. Delano Gray
Claudia Puig
Liane M. Sippin

Excused:

Michael M. Adler, *Vice Chair*
Cesar L. Alvarez
Jose J. Armas

Chairman Maury welcomed all Trustees, University faculty and staff to the telephonic meeting. He thanked all Trustees for making themselves available to participate in the conference call.

There were no requests to address the Board.

2. Action Items

FA1. Fair Relocation Project

Senior Vice President of External Relations Sandra B. Gonzalez-Levy provided an update on the status of FIU's Footprint Expansion at the Modesto A. Maidique Campus, presenting the Fair Relocation Project Resolution for Board review and approval. She noted that the Fair Relocation Task Force has been meeting since the Fall of 2010, reporting that to date 24 sites have been identified and carefully examined for the potential relocation of the Miami-Dade County Fair & Exposition, Inc. (The Fair). She indicated that FIU remains committed to continue the collaborative work with The Fair and Miami-Dade County (MDC) to identify a final site that is mutually beneficial, economically feasible and respectful of The Fair's and FIU's mission of service to the community.

Sr. VP Gonzalez-Levy stated that the implementation of FIU's expansion onto the current fair grounds would cost approximately \$900 million in terms of hard construction costs, adding that non-recurring benefits include the creation of thousands of jobs and a total impact of over \$1.8 billion to the MDC economy. She further noted that recurring economic benefits include the generation of \$163 million in earnings that will support over 5,000 jobs each year with a total estimated recurring impact on the MDC economy of \$541 million. She defined the next steps, noting that on October 22, 2013, the MDC Board of County Commissioners is expected to consider a resolution urging the Florida Legislature to commit State funding in support of the relocation of The Fair and to identify the relocation of The Fair as a critical MDC priority for the 2014 session.

Trustee Jorge L. Arrizurieta encouraged all Trustees to actively participate in this effort by engaging with the MDC Board of Commissioners.

A motion was made and passed that the FIU Board of Trustees adopt the following resolution:

WHEREAS, in the fall of 2010, FIU, the Miami-Dade County Fair & Exposition, Inc. (The Fair), and Miami-Dade County established a Joint Relocation Task Force, the main purpose of which was to assess the viability of relocating The Fair; and

WHEREAS, the parties have worked together to find solutions that will enable FIU to expand onto the land adjacent to its MMC Campus currently leased to The Fair by Miami-Dade County and allow The Fair to re-locate to an alternative site that will allow The Fair to continue its established mission at a new location; and

WHEREAS on June 14, 2012, this Board passed a resolution expressing its continued support of the parties' efforts to identify sites that will allow for the relocation of The Fair and expansion of FIU onto the current fair site; and

WHEREAS, the Joint Relocation Task Force thereafter continued to study the issue of a new site for The Fair, carefully examining 24 sites for the potential relocation of The Fair, and the Task Force agreed to complete an in-depth analysis of 3 sites; and

WHEREAS, the parties are ready to move forward to take the next steps in the process, including the identification of funding for the relocation of The Fair; and

WHEREAS, Miami-Dade County will consider a resolution at its meeting on October 22, 2013, urging the Florida Legislature to commit state funding in support of the relocation and to identify The Fair relocation as a critical county priority for the 2014 session; and

WHEREAS, this Board desires to express its gratitude for the efforts of the parties and to express its continued support for the relocation of The Fair.

NOW, THEREFORE, BE IT RESOLVED BY THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES, that this Board:

Section 1. Expresses its gratitude for the efforts of The Fair and Miami-Dade County, through the Joint Relocation Task Force, to identify potential sites for the relocation of The Fair.

Section 2. Urges the Board of County Commissioners of Miami-Dade County to adopt the proposed resolution urging the Florida Legislature to commit state funding in support of the relocation of The Fair and to identify The Fair relocation as a critical county priority for the 2014 legislative session; and

Section 3. Commits that FIU will (i) continue to work in a collaborative fashion with The Fair and Miami-Dade County to identify a final site that is mutually beneficial, economically feasible and respectful of The Fair's and FIU's mission of service to the community -- and (ii) work to identify funding sources to support the relocation.

On behalf of the Board of Trustees, Chairman Maury expressed his gratitude for the parties' efforts and reinforced the Board's support of the Fair Relocation Project.

FA2. Reauthorize and Ratify: (1) Negotiating and entering into the agreements specified below with Royal Caribbean Cruises Ltd or an affiliated entity (collectively RCL) for RCL to fund and develop a state-of-the art Production Rehearsal and Performance Facility on FIU's Biscayne Bay Campus to be used by both Parties pursuant to FIU ITN 012-016 (ITN); and (2) delegation of authority to the University President or his designee to negotiate and execute all agreements deemed necessary to consummate the FIU-RCL transaction.

Trustee Sukrit Agrawal, Chair of the Board's Finance and Audit Committee, noted that the Committee met earlier in the day to review the reauthorization of the Production, Rehearsal and Performance (PRP) Facility at FIU's Biscayne Bay Campus. Senior Vice President of Administration and Chief Financial Officer Kenneth A. Jessell stated that the request is intended to provide updated information on the FIU-RCL transaction that was approved by the Board on September 10, 2013. He defined the FIU-RCL transaction updates and delineated the agreement terms. He provided an overview of RCL's obligations and noted that the expected completion date is January 2015. He indicated that the terms of the collaboration require RCL to design, construct, and operate, at their sole expense a PRP facility and added that the reauthorization clarifies that the PRP building will be constructed on a footprint of approximately 2.5 acres of land through a long-term ground sublease with an initial term of 40 years with up to four 5-year renewal options, for a total period of 60 years.

A motion was made and passed that the FIU Board of Trustees:

1. Approve that the University President or his designee may negotiate and execute the following agreements on mutually agreeable terms:
 - (i) a Long-Term Ground Sublease to Royal Caribbean Cruises, Ltd. or an affiliated entity ("RCL") to allow RCL to design, construct, operate and maintain at its expense a Production, Rehearsal, and Performance facility ("PRP Facility") at the Florida International University Biscayne Bay Campus ("BBC"). The Sublease will also provide RCL with appropriate easements/licenses for (a) the development of the PRP Facility; (b) parking, building and service access areas immediately adjacent to the PRP

- Facility; and (c) a Landscape buffer surrounding the PRP Facility desired by both parties.
- (ii) RCL Guarantee of the Sublease in the event the Sublease is entered into between FIU and an RCL Affiliated Entity;
 - (iii) a License Agreement(s) and Service Contract to RCL: (a) to improve and use, at RCL's sole expense, the Bay Vista Residence Hall for RCL teachers, performers, cast members and support employees; and (b) to provide for parking immediately adjacent to Housing to be paid for by RCL and/or RCL related parties based on the highest faculty/staff decal rates in effect at time of purchase; and (c) a landscape buffer surrounding the Housing Facility.
 - (iv) a Facilities Use and License Agreement to RCL for the use and payment for use of certain university facilities at BBC and construction of mutually agreed upon improvements to be used and funded by RCL, if applicable; and,
 - (v) a Memorandum of Understanding for Collaborative Partnership (MOU).
2. Authorize the University President or his designee to carry out all acts and to execute all other documents deemed necessary by FIU for the FIU-RCL transaction.
 3. Approve the removal of the Bay Vista Residence Hall at BBC from the Florida International University Housing System.

AP1. Naming of the College of Nursing and Health Sciences as the “Nicole Wertheim College of Nursing and Health Sciences”

Trustee Claudia Puig, Vice Chair of the Board's Academic Policy and Student Affairs Committee, noted that the Committee met earlier in the day and presented the request to name the College of Nursing and Health Sciences as the “Nicole Wertheim College of Nursing and Health Sciences” for the Board's review and approval. She stated that Trustee Emeritus Dr. Herbert A. Wertheim and his wife, Nicole Wertheim, recently expressed the Wertheim family's continued dedication to the University and commitment to clinical and interdisciplinary research with a truly transformational gift in the amount of \$10 million to endow the College of Nursing and Health Sciences. She added that this example of generosity and vision would impact generations of researchers and leaders in nursing and health sciences education, doctors and patients in deep and meaningful ways.

On behalf of the Board, Chairman Maury thanked the members of the Wertheim family for their unrelenting support of the University and their unwavering commitment to public access to higher education.

A motion was made and passed that the FIU Board of Trustees approve the naming of the College of Nursing and Health Sciences as the “Nicole Wertheim College of Nursing and Health Sciences” in accordance with the gift agreement related thereto.

AP2. Performance Funding Metric

Trustee Puig presented the Performance Funding Metric for the Board's review and approval, noting that the State University System (SUS) of Florida Board of Governors (BOG) has instituted a Performance Funding Model consisting of eight metrics common to all SUS institutions and two specific to each university. She indicated that the BOG selected as FIU's institution-specific metric "Percent of bachelor's without excess hours" in September 2013 and added that the FIU Board of Trustees is now required to select the second metric in October. She noted that the Board's Academic Policy and Student Affairs Committee recommends that the Board accept University President Mark B. Rosenberg's selection of "Bachelor's degrees awarded to minorities" as the final institution-specific indicator for the BOG Performance Funding Model.

A motion was made and passed that the FIU Board of Trustees select "Bachelor's degrees awarded to minorities" as one metric of the ten in the BOG Performance Funding Model for FIU.

3. New Business

Chairman Maury reminded the Trustees that the University will host the BOG meetings during November 2013. He noted that recently appointed members of the Board of Trustees will be participating in the BOG orientations. He added that as part of the BOG meetings, FIU will also assist in hosting the first-ever Trustee Summit.

4. Concluding Remarks and Adjournment

With no other business, Chairman Albert Maury adjourned the meeting of the Florida International University Board of Trustees on Monday, October 14, 2013, at 2:46 p.m.

Albert Maury
Chairman
FIU Board of Trustees

Mark B. Rosenberg
Corporate Secretary
FIU Board of Trustees

MG
1.30.14