

## **Meeting Minutes - February 25, 2014 - 2:00pm-4:00pm**

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<b>Location:</b>	Phelps Hall Room 2536
<b>Members Present:</b>	Michael Stohl, Joel Michaelsen, Kum-Kum Bhavnani, Marc Fisher, Simonetta Falasca-Zamponi, Beverly Colgate, Michael Witherell, Richard Watts, Bruce Miller, Jonathan Abboud
<b>Members Absent:</b>	Todd Lee, Ann Plane, Pam Lombardo, Melvin Oliver, Rod Alferness, Gary Haddow
<b>Alternates Present:</b>	Richard Startz, Stephen Weatherford, Bill McTague

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### **I. Announcements**

Director of Capital Development, Chuck Haines, announced that Fitch Ratings credit rating agency has downgraded the long term rating on the University of California's general revenue bonds (GRBs) from AA+ to AA and for limited project revenue bonds (LPRBs) and medical center pooled revenue bonds (MCRBs) from AA to AA-. The downgrade is due to six consecutive years of University expenditures exceeding revenues. The drivers cited were reduced State funding, lack of tuition increases, and retiree pension and healthcare liabilities. The outlook, however, is stable due to the University's exceptional reputation and the pro-active measures being taken to address pension costs. University of California Office of the President (UCOP) has not updated the planning rate for debt which would affect the capital planning process. The current planning rate utilized is 6%. The credit rating downgrade is expected to impact the planning rate by +0.25% or more.

Director Haines gave a brief update on the State Budget. Discussions between the Governor's office and the University are on-going. The University is requesting both one-time funding and additional on-going funding due to the surplus in the State Budget. The Governor's office is being mindful to protect the surplus from being permanently allocated; however, they are considering the possibility of one time allocations.

### **II. Minutes**

The minutes from January 28, 2014 were approved as written.

### **III. Consent Agenda**

### **IV. Action Items**

#### **A. KITP Residence Schematic Design**

The committee by consensus recommends that the Chancellor accept the KITP Residence schematic design, approve the project as a donor developed project and authorize advancement into working drawings and construction. The project will accommodate KITP visiting scientists and their families.

## **B. North Campus Faculty Housing Phase III Schematic Design**

The committee by consensus recommends that the Chancellor accept the North Campus Faculty Housing Phase III schematic designs, approve the project budget, and authorize the project to proceed into working drawings and construction. This is the third phase of a planned five phase project to construct for-sale faculty housing on the North Campus.

## **V. Discussion Items**

### **A. Information Only: 12.4 kV Extension Project**

Senior Associate Vice Chancellor, Marc Fisher, presented the 12.4kV extension project. The project would extend campus core electrical infrastructure to the west side of the campus. The 12.4kV line would service the new San Joaquin Apartments project and the southern portion of the Sierra Madre Apartments project; additional buildings could be connected in the future. The project would save campus fees related to metering the new apartments and enable the housing developments to benefit from reduced electricity rates that are available to the main campus. Currently a utility company can assess meter charges along with standard rate charges. This meter charge is not regulated and can therefore be susceptible to unpredictable cost increases by the utility provider. The project will cost approximately \$4 million and have an expected payback period of eight years. Construction will begin in May or June of this year.

### **B. Information Only: Storke Road Improvements**

Sr. Assoc. VC Fisher presented the Storke Road Improvements project. The project will improve intersections adjacent to the San Joaquin and Sierra Madre Apartment projects. Parking for San Joaquin is across Storke Road, which currently has no direct crosswalk nearby for students and staff. The campus is working with the County of Santa Barbara and City of Goleta on modifications to the intersection of El Colegio Road and Storke Road and a new stop light at the south end of the Sierra Madre site. The intersection project will remove one of the turning lanes from El Colegio Road to Storke Road, provide pedestrian refuge islands, a crosswalk across Storke Road and a bicycle turning lane towards Slough Road. These road projects will be done concurrently with the San Joaquin project.

The campus has experienced a 12% reduction in car trips to and from campus over the past 5 years even though the campus population has been growing. Recently the campus finished negotiations with MTD to fund a new transit route referred to as, "line 38", that will go from the bus circle to Camino Real Marketplace via the new student housing developments and Pacific Oaks Road near North Campus Faculty Housing. The new line will have buses every 15 to 30 minutes, and will be free for UCSB students, faculty and staff with a campus photo IDs. In addition, MTD lines 24x and 12x will extend their hours of operation and reduce wait times. These changes are scheduled to begin by fall 2015.

Separately, Sr. Assoc. VC Fisher also discussed the campus's water use. The campus has been proactive in reducing the use of potable water for many years. Reclaimed water lines will be extended to further reduce the use of potable water for irrigation. Campus lawn areas will continue to be irrigated with reclaimed/recycled water and educational signs will be added to describe the source and use of the water. UCSB is the primary user of reclaimed water in the community.

## **VI. Information & Follow-Up Items**

### **Status Report: Special Projects Subcommittee**

No report.

### **Status Report: Design Review Committee**

No report.

### **Status Report: Faculty & Staff Housing**

No report.

### **Status Report: Student Housing**

No report.

### **Status Report: Major Capital Projects**

Report attached.

## **VII. Correspondence**

Meeting adjourned at 2:28pm

Minutes taken by Michael McGrogan, Office of Budget & Planning