

**New Jersey City University
Board of Trustees Special Meeting
October 15, 2014**

ATTENDING: Mr. Rafael Perez, Chair, *via teleconference*
Ms. Marilyn Bennett, *via teleconference*
Ms. Cynthia Campbell, *via teleconference*
Dr. Steven Chang, *via teleconference*
Mr. Carlos Rendo, *via teleconference*
Mr. Owen Ryan, *via teleconference*
Dr. Edward Whittaker, *via teleconference*
Dr. Sue Henderson, *ex officio*

ABSENT: Dr. Henry Coleman
Mr. Laquan Law
Mr. Vij Pawar
Ms. Wanda Webster Stansbury

The meeting was called to order at 5:02 p.m. in the Gothic Lounge, Hepburn Hall, Room 202, by Mr. Perez. All board members participated via teleconference.

NOTICE OF MEETING

Mr. Perez noted that the time, date, location and agenda for this meeting was mailed to the Jersey Journal, The Star Ledger, Office of the New Jersey Secretary of State and the Office of the New Jersey Association of State Colleges and Universities on October 10, 2014. Notice of this meeting was also mailed to the Gothic Times, posted on the University's e-mail system and Website.

CHAIR'S REPORT

Mr. Perez made a motion to approve the resolution to Convene in Closed Session. The motion was seconded by Ms. Campbell. (Yes-Ms. Bennett, Dr. Chang, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None).

**Resolution
to
Convene in Closed Session**

WHEREAS: It is necessary that the Board of Trustees meet in closed session to discuss matters involving the public funds and real property of the university where it would be adverse to the public interest if discussion of such matters were discussed in public and matters involving litigation, negotiation of contracts and matters subject to the attorney/client privilege in which confidentiality is required for counsel to exercise his ethical duties as a lawyer; and

WHEREAS: The public is excluded from the discussion of these matters pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-12b.(5)(7); be it therefore

RESOLVED: That the Board of Trustees of New Jersey City University on this fifteenth day of October 2014 announces it will meet in closed session to discuss the matters referenced above pursuant to state statute; and be it further

RESOLVED: That the meeting minutes of the matters discussed will become available to the public when there is no longer a need for confidentiality.

ADJOURNMENT

Mr. Perez adjourned the meeting at 5:07 p.m.

The Public Session reconvened and was called to order at 6:08 p.m. in the Gothic Lounge, Hepburn Hall, Room 202, by Mr. Perez. All board members participated via teleconference.

FINANCE, AUDIT AND PLANNING

Dr. Aska gave the report for the Finance, Audit and Planning Committee. The Final Fiscal Year 2015 Budget was moved by Ms. Campbell and second by Ms. Bennett (Yes-Mr. Perez, Dr. Chang, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None).

RESOLUTION

FINAL FISCAL YEAR 2015 BUDGET

WHEREAS: State Colleges and Universities have been authorized to establish revenue, expense and capital budget projections for the 2014/2015 fiscal year; and

WHEREAS: The New Jersey City University Board of Trustees on June 2, 2014 did approve the tuition rates, room and board rates, and rates for other fees for the 2014/2015 academic year based upon the final fiscal year 2015 Appropriations Act; and

WHEREAS: The Governor approved the final State budget which provided the University with an appropriation of \$26,056,000; and

WHEREAS: The University prepared a final budget for fiscal year 2015 based on final State appropriation, tuition increases, and final State budget which projects revenues and expenses at \$186,197,474, and capital expenditures of \$9,243,488; and

WHEREAS: The Finance, Audit and Planning Committee has reviewed the final fiscal year 2014/2015 revenue, expense and capital budget projections and recommends adoption; be it therefore

RESOLVED: That the New Jersey City University Board of Trustees on this 15th day of October, 2014 does hereby approve the fiscal year 2014/2015 Revenue, Expense and Capital Budgets.

The following resolution for the Science Building was moved by Mr. Rendo and second by Dr. Whittaker. (Yes-Mr. Perez, Ms. Bennett, Ms. Campbell, Dr. Chang, Mr. Ryan; No-None; Abstention-None).

AMENDED AND RESTATED

AMENDMENT AND RESTATEMENT OF THE RESOLUTION OF THE BOARD OF TRUSTEES OF NEW JERSEY CITY UNIVERSITY (THE "UNIVERSITY") APPROVING AND AUTHORIZING THE FINANCING OF ALL OR PORTIONS OF A CAPITAL PROJECT THROUGH ISSUANCE BY THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF REVENUE BONDS BEARING INTEREST EXEMPT FROM FEDERAL INTEREST TAX (THE "BONDS"); APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AND AGREEMENT BETWEEN THE AUTHORITY AND THE UNIVERSITY IN CONNECTION WITH THE ISSUANCE OF THE BONDS BY THE AUTHORITY; AND AUTHORIZING CERTAIN OFFICERS TO EXECUTE AND DELIVER ANY AND ALL OTHER AGREEMENTS AND DOCUMENTS AND TO TAKE ANY AND ALL SUCH OTHER ACTIONS DEEMED NECESSARY OR DESIRABLE TO FINANCE THE PROJECT

WHEREAS: By a Resolution duly adopted on February 25, 2013 (the "Science Building Resolution"), the Board of Trustees (the "Board") of New Jersey City University (the "University") approved the undertaking, implementation and financing of the renovation of three existing chemistry laboratories, classrooms, office and support spaces in the existing Science Building, as well as the construction of an addition to add teaching labs for Physics, Geosciences, and Biology programs and research labs for individuals or small groups (the "Science Building Project") in the amount of \$32,000,000; and

WHEREAS: The Science Building Resolution authorized officers of the University to apply to the New Jersey Secretary of Higher Education (the "Secretary") for grants pursuant to the Higher Education Facilities Trust Fund Act, N.J.S.A.18A:72A-49 *et seq.*, ("HEFT") for the Science Building Project and to finance the costs of the Science Building Project, through tax-exempt bonds; and

WHEREAS: A grant has been approved for the Science Building Project under HEFT in the amount of \$32,000,000 (the "HEFT Grant"); and

WHEREAS: The HEFT Grant is not expected to fully fund the Science Building Project and the University desires to supplement the HEFT Grant with additional funds to complete the Science Building Project; and

WHEREAS: The Board desires to approve the undertaking and implementation of additional capital projects consisting of: (a) the construction, equipping, redesign and renovation of the Margaret Williams Theater and (b) the HVAC improvements to The John J. Moore Athletics and Fitness Center; (the "Project"). Henceforth, the Science Building Project and the Project shall be collectively referred to as the "Projects"; and

WHEREAS: The Board has determined that the Projects will benefit the University and assist in serving the ongoing needs of its students and the operations of the University; and

WHEREAS: The Board has determined to finance the Projects, as necessary, through the issuance by the New Jersey Educational Facilities Authority (the "Authority") of one or more series of tax-exempt bonds (the "Tax-Exempt Bonds") in an amount not to exceed \$15,000,000; and

WHEREAS: The Tax-Exempt Bonds will be secured by a Lease and Agreement (the "Agreement") entered into between the Authority and the University. The Board desires to authorize the officers of the University to execute and deliver the Agreement and any and all other necessary agreements and documents and to take all action necessary to accomplish the financing of the Projects and pay costs related thereto; and

WHEREAS: The Board wishes to authorize the conveyance of land and buildings to the Authority, as applicable, in connection with the financing of the Projects; and

WHEREAS: The University reasonably expects to reimburse itself for expenditures for costs of the Projects paid prior to issuance of Tax-Exempt Bonds; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF NEW JERSEY AS FOLLOWS:

SECTION 1. The Board hereby ratifies and confirms the approval and authorization of the Projects and approves and authorizes and the financing of the additional funds for the Projects in an amount not to exceed \$15,000,000.

SECTION 2. In order to finance the cost of the Projects, the Board hereby authorizes the University to enter into one or more Agreements between the Authority and the University on behalf of the Board.

- SECTION 3.** The Chairperson, the Secretary of the Board, the President and the Vice President for Administration and Finance (the “Authorized Officers”) are hereby authorized and directed to execute the Agreement in the name of and on behalf of the University, in as many counterparts as may be necessary, and to affix or impress the official seal of the University thereon and to attest the same, such execution and attestation to be conclusive evidence of the approval of the form and content of such Agreement.
- SECTION 4.** The Authorized Officers of the University, be and the same, are hereby authorized and directed to execute, deliver and approve any and all such other agreements, documents, certificates, directions and notices and to do and perform such acts and to take such actions as may be necessary or required or which the Authority may deem to be appropriate to implement the purposes of this resolution, to consummate the Projects and the financing of the Projects and all the costs related thereto by the Authority, and to effectuate the execution and delivery of the Agreement, any deed to the property on which portion of the Projects will be located, if applicable, and any other documentation necessary to effectuate the Projects or the financing of the Projects by the Authority. Any Authorized Officer of the University is hereby authorized and directed, for and on behalf of and in the name of the University to attest and deliver said documentation and to affix the seal of the University to said documentation, such execution and attestation to be conclusive evidence of the approval of the form and content of such documentation.
- SECTION 5.** The Board hereby authorizes the President and the Vice President for Administration and Finance to determine the financing structure for the Tax-Exempt Bonds which is most financially advantageous to the University including determining the interest rates and maturities of the Tax-Exempt Bonds and whether the Tax-Exempt Bonds should be issued in the aggregate at one time or in one or more series at separate times, taking into account the projected construction schedules of the financed projects and current market conditions.
- SECTION 6.** The Board hereby approves the submission to the Legislature for approval of the Projects and the financing thereof pursuant to *N.J.S.A.* 18A:72A-27.3 and authorizes the Authorized Officers to take all actions necessary to effect such submission.
- SECTION 7.** The Board hereby approves the conveyance to the Authority, as applicable, certain land and buildings on which all or portions of the Projects is situated and which is deemed necessary in connection with the issuance of Tax-Exempt Bonds.
- SECTION 8.** This resolution is intended to be, and hereby is, a declaration of the University’s official intent to reimburse the expenditure of any costs of the Projects paid prior to the issuance of the Tax-Exempt Bonds by the Authority and any interim borrowing to be incurred by the University with proceeds of the Tax-Exempt Bonds, in accordance with Treasury Regulations Section 1.150-2 and the maximum principal amount of the Tax-Exempt Bonds, or

interim debt of the University, if any, expected to be issued to finance costs of the Projects (including related financing costs) is \$15,000,000.

SECTION 10. All resolutions, orders and other actions of the University in conflict with the provisions of this resolution to the extent of such conflict are hereby superseded, repealed or revoked.

SECTION 11. This Resolution shall take effect immediately and no further approvals by the Board are necessary to implement this Resolution.

The following resolution for the Student Housing Facilities Project was moved by Dr. Chang and second by Ms. Bennett. (Yes-Mr. Perez, Ms. Campbell, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None).

RESOLUTION

WHEREAS: NEW JERSEY CITY UNIVERSITY (the “University”) intends to (i) cause the development, financing, construction, operation and management of a new dormitory presently known as the West Campus Student Residence Hall, (ii) cause certain renovations, upgrades and alterations to be performed at Coop Hall and Vodra Hall, and (iii) cause various ancillary projects and undertakings to be performed (all of the foregoing referred to collectively as the “Student Housing Facilities Project”) all through a public private partnership to be entered into pursuant to the New Jersey Economic Stimulus Law of 2009, as amended N.J.S.A. 18A:64-85, as amended;

WHEREAS, the Student Housing Facilities Project may be facilitated by support from The New Jersey City University Foundation, Inc., a 501(c)(3) corporation that supports the purposes and mission of the University (the “Foundation”), which support may include, without limitation, the creation of a Foundation subsidiary to act as the borrower for the benefit of the University in a tax-exempt bond financing (the “Foundation Project”); and

WHEREAS, the University desires to cause the Student Housing Facilities Project and the Foundation Project (collectively, the “Project”) to be financed through the issuance of tax-exempt debt;

NOW, THEREFORE, BE IT:

RESOLVED: that the statements contained in this Resolution with respect to the reimbursement of the expenditures described in this resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e); and

RESOLVED: that except for permissible preliminary expenditures the expenditures to be reimbursed pursuant to this Resolution are capital in nature and have been incurred within 60 days prior to the date hereof or will be incurred after the date hereof in connection with the Project; and

RESOLVED: that the maximum principal amount of debt expected to be issued for the Project is SIXTY MILLION DOLLARS (\$60,000,000); and

RESOLVED: that the University reasonably expects to reimburse the expenditures set forth in this Resolution with the proceeds of tax-exempt debt, including tax-exempt commercial paper and bond anticipation notes, to be incurred by the University or the Foundation subsequent to the date hereof; and

RESOLVED: that this Resolution shall take effect immediately.

The following resolution for the School of Business was moved by Ms. Campbell and second by Dr. Chang. (Yes-Mr. Perez, Ms. Bennett, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None).

RESOLUTION

Financing of the Fit-Out for the School of Business at a Leased Facility in Jersey City, and Commence Lease Negotiations with Lessor

WHEREAS: On October 8th, 2014, the Administration presented to the Finance, Audit and Planning Committee, a comprehensive capital plan which is designed to address strategic opportunities related to the School of Business, while addressing other on-campus capital needs; and

WHEREAS: The University retained Prager & Co, LLC, a national leader in financial planning for colleges and universities, to provide an affordability analysis relative to the University's capital plan, and to assess the financial impact of implementing the capital plan. Also, Prager & Co, LLC assessed the financial implications of not embarking on any new capital projects by using key financial ratios (which are widely used by the big 3 debt rating agencies) to evaluate the financial impact of implementing each capital project; and

WHEREAS: The School of Business, given its growth potential, projected positive income and cash flows is designated a high priority strategic opportunity for the University. It is determined that the School of Business can be relocated to the Waterfront in Jersey City and be provided with the physical capacity to continue its positive cash flow trajectory; and

WHEREAS: Strategic Development Group (SDG) was retained by the University to find a new location for the School of Business and to negotiate the most competitive leasing terms for the University for a minimum period of 20 years; and

WHEREAS: As part of the lease negotiation terms, the University will invest in and finance the capital fit-out of the leased premises to meet the programmatic and growth needs of the School of Business; be it therefore

RESOLVED: That on October 15th, 2014, the Board of Trustees authorizes the University to finance an amount not to exceed \$12 million for the capital fit-out of a soon-to-be-leased property located in downtown Jersey City, and to begin the lease negotiations for the same property. The Board hereby authorizes the President and the Vice President for Administration of Finance to determine the financing structure for the financing of the fit-out for the School of Business which is most financially advantageous to the University taking into account the projected schedule for the fit-out and current market conditions.

The following resolution for the Construction of Stegman Boulevard was moved by Mr. Ryan and second by Ms. Bennett. (Yes-Mr. Perez, Ms. Campbell, Dr. Chang, Mr. Rendo, Dr. Whittaker; No-None; Abstention-None).

RESOLUTION

FINANCING FOR THE CONSTRUCTION OF STEGMAN BOULEVARD AND NON-BINDING COMMERCIAL DEVELOPMENT AGREEMENTS

WHEREAS: On October 8th, 2014, the Administration presented to the Finance, Audit and Planning Committee, a comprehensive capital plan which is designed to address strategic opportunities related to the School of Business, while addressing other on-campus capital needs; and

WHEREAS: The University retained Prager & Co, LLC, a national leader in financial planning for colleges and universities, to provide an affordability analysis relative to the University's capital plan, and to assess the financial impact of implementing the capital plan. Also, Prager & Co, LLC assessed the financial implications of not embarking on any new capital projects by using key financial ratios (which are widely used by the big 3 debt rating agencies) to evaluate the financial impact of implementing each capital project, and

WHEREAS: The University has completed the remediation and restoration of the West Campus property—a project in the making for almost 10 years. And, in an effort to enhance the viability of any development on this property, the appropriate infrastructure should be developed; and

WHEREAS: The University intends to develop the first phase of Stegman Boulevard, which is designed to connect the future construction of the Student Residence Hall, the Academic building and any commercial entities. The Student Residence Hall and Academic building are projects under consideration by the University, and future commercial entities would be developed by private organizations, which could provide additional financial resources to the University; be it therefore

RESOLVED: That on October 15th, 2014, the Board of Trustees authorizes the University to finance an amount not to exceed \$6 million for the construction of Stegman Boulevard, and to permit the University to enter into non-binding negotiations with prospective developers for the purpose of developing commercial entities on the site. The Board hereby authorizes the President and the Vice President for Administration and Finance to determine the financing structure for the construction of Stegman Boulevard which is most financially advantageous to the University taking into account the projected construction schedules of the project and current market conditions.

The following resolution for the Strategic Development Group was moved by Ms. Campbell and second by Mr. Ryan. (Yes-Mr. Perez, Ms. Bennett, Dr. Chang, Mr. Rendo, Dr. Whittaker; No-None; Abstention-None).

RESOLUTION

AWARD OF CONTRACT TO STRATEGIC DEVELOPMENT GROUP

WHEREAS: Pursuant to the New Jersey State Contracts Law (N.J.S.A. 18A: 64-52 et seq.) the University must advertise for bids on all contracts for goods and services which exceed \$32,100 except under circumstances specified in the statute where bids may be waived; and

WHEREAS: As permitted by the statute, the University seeks authorization of the Board of Trustees to contract without bidding with vendors that the University expects to do business with in Fiscal Year 2015 because there are no alternatives and/or the statute allows for waivers; and

WHEREAS: At the Board of Trustees' meeting on June 9, 2014, the board authorized a bid waiver for Strategic Development Group (SDG) to assist the University with various capital development projects, specifically those relating to the School of Business and the development of the west campus property; and

WHEREAS: Projects on the West Campus already initiated by the University such as the Academic Building were not a part of the scope of work for SDG under the June 9, 2014 authorization, and

WHEREAS: The University has determined a need for gap financing for the development of the Academic Building and an immediate need for professional consulting services to work with Hunter Roberts Construction Group and the University to manage and procure such gap-financing; and

WHEREAS: The University is requesting authorization to award a contract without bid to SDG to work with Hunter Roberts Construction Group and the University to manage and procure such gap-financing; be it therefore

RESOLVED: That the Board of Trustees of New Jersey City University on this 15th day of October 2014 does hereby approve the award of a contract to Strategic Development Group, to provide professional consulting work and services for a period ending in May 31, 2015, for a fee of \$170,000.

NEW BUSINESS

Mr. Alfred Ramey brought forward a new resolution for Authorization to Award Contract for Professional Legal Services without Public Advertising for Bids. A motion was made by Ms. Bennett and second by Ms. Campbell. (Yes-Mr. Perez, Dr. Chang, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None).

RESOLUTION

AUTHORIZATION TO AWARD CONTRACT FOR PROFESSIONAL LEGAL SERVICES WITHOUT PUBLIC ADVERTISING FOR BIDS

WHEREAS: Pursuant to the New Jersey State Contracts Law (NJSA 18A: 64-52 et seq.) the University must advertise for bids on all contracts for goods and services which exceed \$32,100 except under circumstances specified in the statute where bids may be waived; and

WHEREAS: As permitted by the statute, the University seeks authorization of the Board of Trustees to contract without public advertising for bids for professional legal services and the statute allows for waiver of public advertising for such work and services; and

WHEREAS: Pursuant to University procedure several law firms having the requisite expertise and experience submitted their qualifications and rates for work and services for the review of the University; and

WHEREAS: The University is engaged in consideration of the responses and recommends the engagement of a law firm or law firms with the requisite experience and expertise before the next regular meeting of the Board; and

WHEREAS: The hourly rate for the professional legal services shall not exceed \$225.00; be it therefore

RESOLVED: That the Board of Trustees of New Jersey City University on this 15th day of October 2014 does hereby authorizes the President or her designee to engage a law firm or law firms to provide professional legal services at the conclusion of the described review process at an hourly rate not to exceed \$225.00.

NEXT MEETING

The next Board meeting will be held on December 8, 2014. Mr. Perez made a motion for the board to move into executive session prior to the public session in order to discuss confidential personnel matters and contractual matters. The minutes of the executive session will become available to the public when there is no longer a need for confidentiality regarding these matters. The motion was seconded by Ms. Campbell. The motion passed. (Yes-Ms. Bennett, Dr. Chang, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None).

ADJOURNMENT

There being no further business to come before the Board, Mr. Perez asked for a motion to adjourn the meeting. Ms. Campbell made the motion and was second by Ms. Bennett. (Yes-Mr. Perez, Dr. Chang, Mr. Rendo, Mr. Ryan, Dr. Whittaker; No-None; Abstention-None). The meeting was adjourned at 6:26 p.m.

Respectfully submitted,

Virginia Melendez
Secretary to the Board of Trustees