



**Board of Trustees Budget, Finance, and Facilities  
Committee Meeting  
September 1, 2017**

PRESENTED BY

**Finance and Administration**

Florida Agricultural and Mechanical University



## **Item IV – Campus Development Agreement**

**September 2017**

PRESENTED BY

**Sameer Kapileshwari P.E., Associate Vice President for Facilities and Safety**

Florida Agricultural and Mechanical University



# Campus Development Agreement

**Subject:** Florida A&M University and the City of Tallahassee are parties to a Campus Development Agreement, dated March 16, 2015. The terms of the agreement determines the impact of proposed campus developments on public facilities, services, and public transportation.

- The termination date of the Campus Development Agreement is December 31, 2017, unless the parties extend by mutual consent.
- Florida A&M University has requested that the City agree to extend the Campus Development Agreement by one year to December 31, 2018 to allow University time to submit a revised Master Plan and Agreement to the City for consideration.
- In the extension agreement Florida A&M University is also notifying the City that has completed water sewage analysis of Campus.





# Campus Development Agreement

**Rationale:** The Strategic Plan for Florida A&M University was approved in June 2017. The master planning update process was slowed down in order for the Campus Development Agreement and Master Plan to be aligned with its Strategic Plan. The most recent Capital Improvement Plan and the University's strategic plan will be used in updating the master plan.

**Recommendation:** Authorize the president to enter into an agreement with the City of Tallahassee to extend the term of the current Campus Development Agreement to December 31, 2018 substantially in the form set forth on Exhibit "A" subject to the review and approval of the Office of the General Counsel.





## **Item V – Law School Prep Fee**

**September 2017**

PRESENTED BY

**Dr. Wanda Ford, Interim Vice President Finance and Administration/CFO**

Florida Agricultural and Mechanical University



# Law School Prep Fee

Pursuant to Board Regulation 7.003(23):

*Every five years the university board of trustees shall review the fee to determine if the fee has met its intended outcomes and whether the fee should be increased, decreased or discontinued. The university board of trustees shall submit its findings to the board. Any subsequent decreases or continuation in these fees are delegated to the university board of trustees, with notification to the chancellor.*

The Board of Governors approved the implementation of a Law School Test Prep Fee at FAMU on March 22, 2012.

## **Recommendation:**

It is recommended that FAMU continues the Law School Test Prep Fee with deferment of fee collection.





**Item VI – Contractual Agreement with Applications  
Services Provider - September 2017**

PRESENTED BY

**Dr. Wanda Ford, Interim Vice President Finance and Administration/CFO**

Florida Agricultural and Mechanical University

# Contractual Agreement with Applications Services Provider



**Subject:** FAMU Information Technology Services (ITS) is seeking to continue the contractual relationship with Sierra-Cedar as its Application Services Provider hosting the University's ERP System (iRattler) as a sole source provider. ITS is seeking your approval to renew the hosting contract for an additional five (5) term, beginning September 17, 2017 and ending September 2022.

*(There is no change in contract terms or contract amount)*

**Rationale:** Sierra-Cedar has a strong history of providing outstanding services and support to Higher Educational Institutions, and has provided outstanding hosting services and support for FAMU's Enterprise Resource Program Applications for the past five (5) years.

**Recommendation:** Approval to renew and continue contractual agreement with Sierra-Cedar to provide application hosting services for our Enterprise Resource Planning system (iRattler). Annual Cost: \$1,148,916.00





**Item VII – Project Updates (CASS, P3)**

**September 2017**

PRESENTED BY

**Sameer Kapileshwari P.E., Associate Vice President for Facilities**

Florida Agricultural and Mechanical University



# Center for Access and Student Success (CASS)

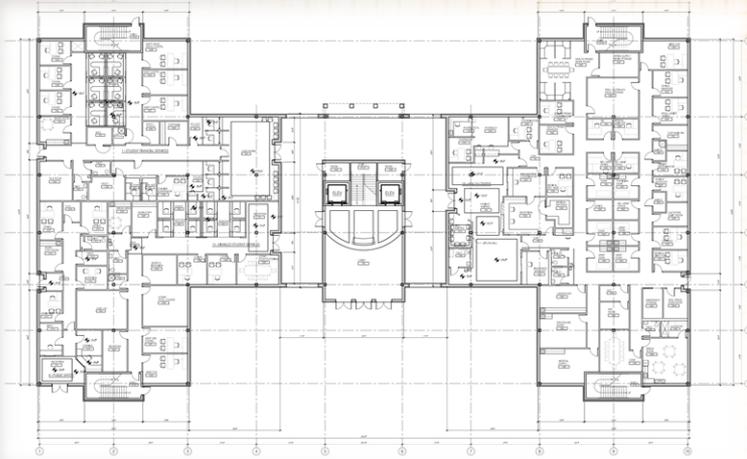
## Background:

The FAMU Center for Access and Student Success (CASS) is designed to be a multipurpose building serving as a one-stop shop for programs like recruitment, admissions, financial aid and enrollment management. This building will also house registrar, scholarship office, counselling services and the Center for Disability Access and Resources.

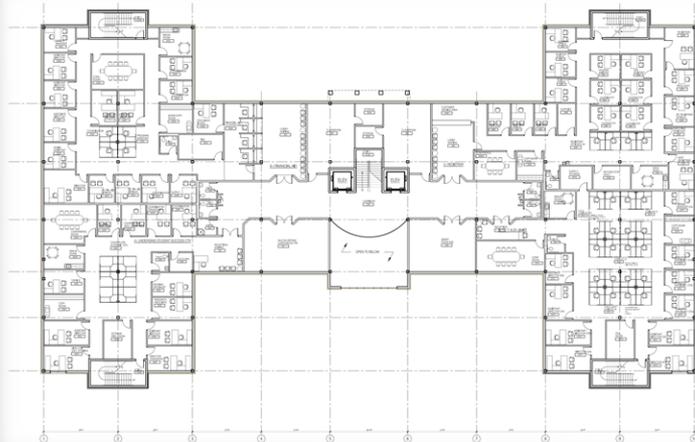




# Center for Access and Student Success (CASS)



FIRST FLOOR PLAN



FIRST FLOOR PLAN

## Current Status:

- The Architect has completed and submitted the Conceptual Schematic Design, Advance Schematic Design, the Site Utilities Analysis, and the Design Development
- The Construction Manager (CM) has completed and submitted the Conceptual and Advanced Schematics and Design Development Cost Estimate for review by FAMU and JRA Architects
- Ground breaking ceremony was held on June 8 2017
- A phased project approach is being developed to account for the incremental funding received.





# Center for Access and Student Success (CASS)



## Next Steps:

Ph-1 Early site package:	October 15, 2017
Site utility work to commence:	November 6, 2017
Ph-2 Early steel package:	December 1, 2017
Ph-3 Final Construction Docs:	January 15, 2018
Foundation work begins:	March 31, 2018
Steel erection begins:	April 25, 2018
Construction funding (balance) needed:	July 1, 2018
Substantial Completion:	June 20, 2019
Final Completion:	July 20, 2019

- Continued Stakeholder Engagement  
(Internal – External – BOG)





# Florida A&M University Public Private Partnership Project

**Plan:** FAMU envisions a transformational development to serve as a catalyst project to aid in addressing critical housing issues, aesthetic concerns, and simultaneously create a viable marketplace that could promote the long term sustainability of the University.

Specifically, FAMU envisions that the P3 opportunity will consist of a three phase project:

**Phase 1:** Public-Private Partnership for the redevelopment of Cropper Hall, Wheatley Hall, and Jackson-Davis Building

**Phase 2:** Public-Private Partnership for the development of a new Mixed-Use Development along the “main street” corridor of the University campus and the construction of up to 418 beds of on-campus student housing and 50,000 gross square feet (“GSF”) of mixed-use space to create a vibrant place for both students and local City of Tallahassee residents to share

**Phase 3:** Subject to approval of the State Legislature as a Public-Private Partnership Project, the construction of an Athletic Facility, including up to a 35,000 seat football stadium, a Student Health Services Center, up to 300 additional parking spaces, a hotel, and a retail complex (if feasible)





# Florida A&M University Public Private Partnership Project

## Process:

Over the past 18 months, the FAMU project team has been working with its real estate and financial consultants, Jones Lang LaSalle (JLL) on bringing the P3 to fruition.

This process has included:

- 1) Request For Qualifications (RFQ) phase, which served to gauge initial developer interest and served to short-list qualified development firms
- 2) Due Diligence phase, during which JLL investigated the feasibility of various development options/scenarios, subsequently recommending that the University undertake a student housing demand study
- 3) The Invitation To Negotiate phase, which is the final phase in the process to select a preferred developer





# Florida A&M University Public Private Partnership Project

## Construct 2 Group



## Rise





# Florida A&M University Public Private Partnership Project

**Key Components:** Because the proposals are completely different, the FAMU Negotiation team reviewed the similar components as it relates to **student housing and parking garage** offerings. The team reviewed various factors including per unit cost for a comparison to determine which firm to commence final negotiations.

After two deliberation sessions and scoring, it appears that both firms have the ability to meet the housing needs of the university.

Construct Two Group - Provided a solution for (3) three phases, housing, mixed use, and Athletic Facility/Sports Complex (if feasible).

RISE - Proposed a solution for (1) one phase, housing and garage.

Mr. John Pittman at UCF provided a cursory review of both proposals in June. Mr. Pittman was in agreement that the project is doable and recommends seeking assistance in debt management as well as managing contract performance.





# Florida A&M University Public Private Partnership Project

## Next Steps:

### *Operating and Financial Review:*

- The Negotiation committee will review and approve the planned operations and operating budget to ensure operational efficiencies and life-cycle saving, while ensuring the project budget is in the University's best interest and aligns with other financial obligations
- Based on the negotiations, Construct Two Group will refine and present the refined proposal (Best and Final Offer)
- The Director of University Housing will assess the current housing facilities and prepare a long term strategic housing plan. The plan will include the current and any future P3 projects and a phased approach for funding needed renovations and repairs.





# Florida A&M University Public Private Partnership Project

## Next Steps (Continued):

### *Contract Approval:*

- Internal selection committee meeting is scheduled to discuss the pre-development agreement and the timeline presented by JLL
- The University and JLL will draft Contract Documents (Development Agreements, Operating Agreements, etc.)
- Risk trigger metrics will be established, which will give the BOT early indicators of possible problems
- The President and BOT will review and approve the Final Contract documents including all substantial changes
- Final Contract provisions will be reviewed and approved by President and BOT
- Project will be reviewed and approved by BOG and the Division of Bond Finance





# FAMU - Public Private Partnership (Recommended Timeline for Exclusive Right to Negotiate Agreement)

No.	Tasks	Timeline
1	CTG and FAMU to execute Exclusive Right to Negotiate Agreement	TBD
2	CTG to submit/present revised financing plan and updated development plan/development costs/schedule/financials/operating budget	+3 weeks from Task 1
3	FAMU to analyze revised updated information	+2 weeks from Task 2
4	CTG to make updates based upon FAMU feedback	+1 weeks from Task 3
5	FAMU to send CTG a DRAFT Term Sheet (which defines key business terms) for Development Agreement	+2 weeks from Task 4
6	Negotiate Term Sheet	+2 weeks from Task 5
7	BOT Review of Negotiated Term Sheet	TBD
8	FAMU to begin drafting Development Agreement <ul style="list-style-type: none"> <li>▪ Hire real estate attorney (unless in-house counsel has this expertise) to represent FAMU's interests and assist with drafting all documentation</li> <li>▪ The University Administration should begin drafting the Development Agreement for the review of the "Working Committee".</li> <li>▪ Incorporate term sheet clauses Development Agreement</li> </ul>	Conducted in parallel with Tasks 5 & 6
9	FAMU to send DRAFT Development Agreement to CTG	Upon BOT Approval
10	Negotiate Development Agreement	+6 weeks from Task 9
11	If negotiations are successful, CTG and FAMU to execute Development Agreement	No later than 4 months from execution of Exclusive Right to Negotiate Agreement





## **University Construction (at-a-glance)**

PRESENTED BY

**Facilities Planning Construction and Safety**

Florida Agricultural and Mechanical University



# Bragg Memorial Stadium Structural Repairs

## Project Description and Status:

The scope of work was in accordance with the 100% Construction Documents provided by Barkley Consulting Engineers, dated February 1, 2017. The final GMP for the project was \$390,968.35.

The Bragg Stadium Task I Structural Repairs scope of work included, but not limited to metal structural fabrications, cast in place reinforced concrete & masonry electrical, plumbing and selective painting. A notice to proceed was submitted to the CM on March 28, 2017. The project was substantially completed by July 31, 2017. The final walk through was conducted on August 7, 2017.

The work associated with this year's repairs is now complete.





**Item VIII – Cost Savings (Quarterly Update)  
September 2017**

PRESENTED BY

**Dr. Wanda Ford, Interim Vice President Finance and Administration/CFO**

Florida Agricultural and Mechanical University



# Cost Savings – Central Strategies

## Status of major areas to realize savings:

Strategy	Approx. Savings
<b>Currently in process for this year:</b>	
• Reduced use of consultants (FY 2016 vs FY 2017)	\$ 826,478*
• Procurement from shared SUS contracts (Apr – June 30, 2017)	\$ 54,041*
• Mandatory use of University’s copy center (Jan-June 2016 vs Jan-June 2017 off-campus vendor costs)	\$ 14,471 **
• Bulk purchases for IT/equipment (Apr – June 30, 2017)	\$ 69,039**
Strategy	Estim. Implementation
<b>Currently under review:</b>	
• Recommend hiring freeze for current vacant positions	TBD
• Virtual Payable Process	December 2017
• Outsourcing bulk mail, shipping, and printing	Summer 2018

**Legend:** \* Cost Savings \*\* Cost Avoidance





**Thank you**

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**Questions?**

