

**Lake Superior State University
Board of Trustees
Minutes of Special Meeting
Considine Hall
LaJoie Board Room
June 28, 2018**

The Board of Trustees of Lake Superior State University met in special session beginning at 8:00 a.m. on Thursday, June 28, 2018 in the LaJoie Board Room of Considine Hall, Lake Superior State University, Sault Ste. Marie, Michigan, and with Board of Trustees members connected via teleconference. The meeting was pursuant to Section 1.03 of the Bylaws of said Board.

Section numbers and headings of these minutes correspond to the agenda. A copy of the proposed agenda was distributed to each Trustee prior to the public session of June 28, 2018. Any material considered by the Board, which was distributed at the time of the meeting, is so designated in these minutes. Copies of all such material are contained as appendices to these minutes.

At the call to order there were few members in the audience and one member of the press.

I. Roll Call

Chair Rodney M. Nelson, called the meeting to order at 8:00 a.m. and asked Ms. Kaye M. Batho, Secretary, to call the roll. The following members responded “present”:

Mr. Thomas C. Bailey
Dr. Mark W. Mercer
Mr. Rodney M. Nelson
Ms. Ann Parker
Mr. Randy Pingatore
Dr. Rodney S. Hanley, President and Ex-Officio

Five Trustees were recorded as present and all Trustees were attending via teleconference. Trustees Richard Barch and Sandi Frost Steensma were recorded as absent. Present for the University were Mr. Thomas Coates, Executive Director of the Foundation; Ms. Kellie Greener, Marketing Director; Mr. Steve Gregory, Director of Physical Plant; and Mr. Morrie Walworth, Vice President for Finance and Operations.

II. Approval of the Agenda for June 28, 2018

Mr. Pingatore moved for Board approval to amend the agenda for June 28, 2018 to include the following:

Defer Item V. - Approval of the Property Donation until the July Board meeting
Move Item IV.- Approval of Bond Authorizing to Item III.
Add Item IV. – Approval to Begin Service Contract Activities using LSSU funds

Add Item V. – Discussion of PFM Bond Timeline/Schedule

Add Item VI. – Approval of Johnson Control Incorporation Agreement Execution Recommendation

The motion was supported by Dr. Mercer. The motion carried with unanimous voice vote.

III. Approval of Bond Authorizing Resolution Recommendation

Dr. Mercer moved for Board approval of the resolution for bond authorizing as presented with a change from 30 year to 32 year option (Appendix A); supported by Mr. Pingatore. The motion carried with unanimous voice vote.

IV. Approval to Begin Performance Contract Activities using LSSU Funds Recommendation

Ms. Parker moved for Board approval to begin performance contract activities using LSSU funds as presented but not to exceed \$6 million bond issuance; supported by Dr. Mercer. The motion carried with unanimous voice vote.

V. Discussion of PFM Bond Timeline/Schedule

PFM representatives informed the Board of the draft timeline and schedule with an August 8, 2018 target date. They stated that quotes are to be obtained for insurance and bonds proceeds toward the end of August.

VI. Approval of Johnson Control Incorporation Agreement Execution Recommendation

Ms. Parker moved for Board approval of the JCI agreement execution recommendation as presented and to be distributed upon request from the VP for Finance; supported by Mr. Pingatore. The motion carried with four affirmative votes and one abstention by Dr. Mercer.

Mr. Nelson added that the agreement will assist with LSSU's deferred maintenance issues and energy saving improvements and student programs.

Dr. Mercer departed the meeting at 8:30 a.m.

VII. Addresses to the Board

There were none.

VIII. Other Business

Dr. Hanley informed the Board that this JCI agreement is a multi-stage infrastructure improvement plan for additional housing, student security and programming.

Dr. Hanley invited the Trustees to attend the Lake State Golf Classic. He stated that the orientation programs are going smoothly and well attended. He added that he attended his first Michigan Association of State Universities (MASU) and met several political candidates.

Mr. Nelson commended Mr. Walworth for his thorough research and diligence on the preparation of this agreement.

Mr. Walworth commended Thrun Law Firm, PFM Financial Advisors and JCI for their collaborative efforts in executing this agreement.

Mr. Bailey commended the University administration and the Board Finance Committee for their efforts.

IX. Adjournment

Mr. Bailey moved for adjournment at 8:40 a.m.; supported by Mr. Pingatore. The motion carried with unanimous voice vote.

Rodney M. Nelson, Chair

Rodney S. Hanley, President

Minutes prepared by Ms. Kaye M. Batho, Secretary. A draft of these minutes was completed at 1:00 p.m. July 9, 2018.