Minutes of the Meeting of the Board of Trustees
Wednesday, November 19, 2015 at 9:30 a.m.
205 East 42nd Street, Room 725
New York, New York 10017

Trustees Present:
Hon. Philip Berry, Acting Chairman
Hon. Guillermo Linares
Hon. Marcella Maxwell
Hon. Brian Obergfell
Hon. Michael Walsh

Jeffrey Beal, Team Leader, Division of Budget Higher Education Unit *
Emily Mercurio, Budget Examiner *

In Attendance:
Judith Bergtraum, Executive Director, CUCF
Fredrika Miller, Associate General Counsel, CUNY
John Antonelli, Deputy Executive Director, CUCF
Gustavo Ordonez, Chief of Staff, FPCM
Robert Lemieux, Executive Director, Department of Design, Construction & Management, CUNY
Gwen Perlman, Director, Capital Budget, CUNY
Meghan Moore-Wilk, Director, Space Planning, CUNY
Daniel Rothbaum, Controller, City University Construction Fund
Michael Stabulas, Managing Director, Managing Director, Downstate Operations, DASNY
Nancy Nichols, Special Assistant to the Fund

* Designee for MaryBeth Labate, Executive Director of NYS Division of the Budget in Albany, attending via videoconference.

At 9:30 a.m., Acting Chairman Berry called the meeting to order, noting there was a quorum.

Action Items

1. Approval of the Minutes of the September 16, 2015 Meeting of the Fund (No. 2213).

Acting Chairman Berry asked if there was any discussion or amendments to be made to the minutes. There being none, Mr. Berry entertained a motion that this item be approved. On motion duly made and seconded, the minutes were approved.
2. Resolution of the City University Construction Fund Approving the Annual Certificate for Fiscal Year 2016 (No. 2214).

Acting Chairman Berry called upon Deputy Executive Director John Antonelli to explain the item.

Mr. Antonelli stated that the Education Law requires the Construction Fund to file an Annual Certificate. This year’s provides a projection of the tuition amount that will be collected through June 2017. It also projects the amount of debt service that will be paid to DASNY, and a projection of the costs of administration of the Construction Fund. In addition to that, the CUCF is required to provide an audited financial statement for the fiscal year ending June 2015. That is coupled with a management letter to the Board of Trustees, as well as an internal control assessment. Essentially, that is the resolution. In terms of the findings, it was a good audit; in terms of cash collection and budgeting, the costs are relatively the same, year-to-year. Any differences are generally related to capital payments, which follow the schedule of capital construction.

Acting Chairman Berry asked if there questions about the resolution. There being none, Mr. Berry entertained a motion that this item be approved. On motion duly made and seconded, the resolution was approved.

(At 9:33 a.m. Trustee Brian D. Obergfell joined the meeting; also Emily Mercurio joined the meeting in Albany)

3. Resolution of the City University Construction Fund Establishing an Audit and a Governance Committee Within the Board of Trustees of the City University Construction Fund (No. 2215).

Acting Chairman Berry called upon Associate General Counsel Fredrika Miller for an explanation of the item. Ms. Miller stated that Public Authorities Law requires these subcommittees. Mr. Berry stated that once the subcommittees have been established, a yearly meeting will be set at a time that is adjacent to a regularly-scheduled Construction Fund Board meeting. Staff members will be on hand to assist sub-committee members in presenting items that are deliberated at those meetings to subsequent Board meetings. He requested that Trustees who wish to volunteer for the committees to email him before the next Board meeting.

Acting Chairman Berry asked if there was any discussion regarding the item. There being none, Mr. Berry entertained a motion that this item be approved. On motion duly made and seconded, the resolution was approved.

REPORTS

Acting Chairman’s Report

Mr. Berry explained that in future, the regularly scheduled CUCF Board Meetings will coincide with those of the CUNY Board, so that items discussed there can be brought before the Fund to
continue their execution. Mr. Berry anticipates a schedule of 4-5 meetings a year.

Mr. Berry stated that the meeting schedule for January through June 2016 will be circulated to the Trustees and Attendees soon. All meetings will be held in the 42nd Street office, and will need no more than 90 minutes.

Acting Chairman Berry suggested that Michael Stabulas, Managing Director for Downstate Operations at DASNY, give his report next.

**Report of the Dormitory Authority**

Mr. Stabulas said he would give a brief report on the relationship of CUNY and DASNY, for the benefit of the new Trustees at the table. DASNY was established in 1944, as a result of the GI Bill, to ensure that returning GI’s who enrolled in college had a place to live. Since that time, its mandate has grown quite a bit. Now DASNY works in all aspects of health care, in the court systems, in higher education, and municipal projects such as libraries. DASNY’s relationship with CUNY began in the late 1960s, when they had authorization to work in the senior colleges. In 1975 they got authorization to work in the community colleges. Depending on who they are working with they can focus on finance, program management, or construction management and design. With CUNY, DASNY has done everything – a mixture of both finance and project management and construction management.

Over time, DASNY has worked on thousands of projects with CUNY, from very small ones to new campuses, in a very strong relationship. Mr. Stabulas stated that in a typical CUCF meeting he talks about a particular group of projects, or a campus, and that perhaps in a subsequent meeting he will give a general view of the CUNY workload.

Acting Chairman Berry asked if there were any questions. Mr. Lemieux stated that DASNY will hold some design contracts, while his staff will work closely with DASNY to manage the design consultants through the projects; DASNY will also hold construction contracts, sometimes do construction management on projects in which CUNY has done the design through CUCF. DASNY has, on almost all the CUNY campuses, a real presence in terms of field staff to manage construction projects, substantially more field staff than CUNY has. So we work closely on many projects – the ASRC, the CCNY buildings, John Jay’s new building. Over the last 10 years the CUNY/DASNY relationship has gotten much stronger and better for both.

Trustee Maxwell observed that today’s *New York Times* contained an article about the Library at Bronx Community College. Executive Director Bergtraum agreed, saying it discussed the condition the building was in. CUNY has a $4 million contract to redo part of the roof; however, if the complete repair of the roof of the Gould Memorial Library were attempted, it would need about $30 million. (The building was firebombed by students in the 1969 riots, damaging the roof.) The *Times* story makes it look like CUNY is not taking care of its buildings, but if you look at the College, CUNY is currently spending about $80-90 million just to bring heat and hot water to all the campus buildings. Decisions have to be made about how the critical maintenance money is spent. It is being spent on the infrastructure of the campus. Over the years, sufficient money has not been received to invest in the campus.
Mr. Lemieux went on to explain that the “Library” is a misnomer—it is currently being used as office space. It was built as a library in 1898, designed by Stanford White for NYU’s Bronx campus, at the same time another partner of his firm designed the Low Library at Columbia University, and is now a landmarked building. CUNY bought the Bronx campus from NYU in 1975. Currently, work is being performed to make it ADA accessible, and provide means of egress in order to receive a public assembly permit so it can be used. Any money invested by the State needs a City match to be used. The college is undertaking a major effort to enlist philanthropic donors to restore the building, a very expensive project.

The Times article concerned creating a group to restore the building. First steps are being taken to fix the roof, using money from different groups. It is a wonderful building that has not received the love and attention it needs for 70-80 years, a great example of what CUNY faces in its quest to keep all of its facilities running.

Executive Director’s Report

Acting Chairman Berry called on Executive Director Bergtraum for her report. Ms. Bergtraum stated that she would give a presentation explaining the CUNY Capital Budget Request and its process and how it intertwines with the CUNY Board of Trustees. Most of the resolutions brought before the Construction Fund are there because the CUNY Board is asking the CUCF to approve contracts.

Ms. Bergtraum went on to provide some background on the Budget Request process – how it was prioritized, critical maintenance projects, completion of ongoing projects and requests for funding for new buildings; technology funding; and energy conservation, as well as CUNY 20-20 projects. (The funding for these projects, which are very expensive, is requested over a number of years.)

Ms. Bergtraum explained how projects are identified, prioritized, tracked, reviewed and published, with the needs for every CUNY campus, adding up to $6.8 billion. Every college president approves his or her college’s portion before the CUNY Board signs off on the request.

This year’s $6.8 billion in line with last year’s request, breaks out as $5.1 billion for senior colleges, 100% of which comes from the State, and $1.7 billion for the community colleges, which is a 50/50 match between State and City funds. The State share of the money is about $6 billion; the City share is $850 million. $89 million has been requested in ResoA funding from the Borough Presidents and City Council for specific projects, in amounts of between $1-3 million.

Ms. Bergtraum went on to explain specific projects to the Board. She stated there are hundreds of critical maintenance projects in the Request, ranging from a few hundred thousand dollars to several million. There are also several “mega-critical maintenance” projects, including the Remsen Hall Upgrade of Queens College; the façade of the Voorhees building at NYCC Tech and interior upgrades, including 21,000 square feet of the 3rd floor. In many cases façade renovations are taking place while a building is fully occupied. Lastly, is the 5th phase of a 6-
phase project at Bronx Community College to support the heating, cooling and electrical systems on campus. These HVAC upgrades will take $44 million to upgrade all the buildings on campus.

Mr. Berry asked if there were questions. Trustee Linares asked about the disparity in funding between four year and two year colleges. Gwen Perlman explained that apart from the differences in funding sources and cycles (City and State) the difference in amount reflects the fact that there are 17 senior colleges, graduate schools, and professional schools, with about 20 million gross square feet, and only 7 community colleges, with only about 7 million gross square feet. There are 130,000 full-time equivalent students in the senior colleges, and 73,000 in the community colleges. A senior college space, because of the research, will have a more expensive requirement. The State expects the local jurisdictions to put up their funding first before they match it. Ms. Perlman applauded the DeBlasio administration’s consistent funding source starting in 2018 of $20 million per year for critical maintenance projects at community colleges, which will allow CUNY to begin designing projects.

Mr. Berry stated that if Trustees had questions about any item to let him know and he would try to get information put together in time to present it at the meeting. Mr. Berry asked where the progress stood in the MWBE enterprise versus requirements from the state. Mr. Antonelli stated that CUNY is doing very well, as we were close to 40%, far above the 30% goal set by the governor. The recent MWBE conference elicited record participation.

Mr. Berry wished everyone a safe and happy holiday and then asked if there were further questions or items to discuss. There being none, he requested a motion to adjourn. On motion duly made and seconded, the meeting of the Board of Trustees was adjourned at 10:36 a.m.