

**WEST VIRGINIA UNIVERSITY**  
**BOARD OF GOVERNORS**

January 24, 2020

The one hundred seventy-sixth meeting of the West Virginia University Board of Governors (scheduled as a Special Board Meeting) was held on January 24, 2020 in Morgantown, WV. Board members in attendance/participating by telephone included David Alvarez, Marty Becker, Charles Capito, Elmer Coppoolse, Kevin Craig, Kate Dye, J. Thomas Jones, Dr. Stanley Hileman, Lisa A. Martin, Taunja Willis Miller, Dr. Emily Murphy, Richard Pill, Ed Robinson, J. Robert (J.R.) Rogers, Dr. Kimberly Weaver and William Wilmoth. Board member Benjamin Statler was absent and excused.

**WVU officers, divisional campus officers, representatives (and others)  
present included:**

President, E. Gordon Gee;  
Vice President for Strategic Initiatives, Rob Alsop;  
General Counsel, Stephanie Taylor;  
Deputy General Counsel, Gary G. Furbee, II;  
Vice President for University Relations, Sharon Martin;  
Vice President and Chief Financial Officer, Paula Congelio;  
Associate Vice President for Finance, Anjali Halabe;  
Associate Provost for Budget, Facilities and Strategic Initiatives,  
Mark Gavin;  
Vice Provost for Academic Strategies, Curriculum and Assessment,  
Paul Kreider;  
Assistant Vice President for Finance, David Kosslow;  
Director of Communications and Marketing for Strategic Initiatives,  
Erin Newmeyer,  
Executive Officer and Assistant Board Secretary, Jennifer Fisher;  
Senior Executive Director of Communications, University Relations,  
John Bolt; and,  
Special Assistant to the Board of Governors, Valerie Lopez.

**From PFM Financial Advisors**

Senior Managing Consultant, Alexandra Byrnes

**Members of the Press were also present.**

## **Call to Order**

The meeting was called to order by Chairman David Alvarez, at 1:00 p.m. A roll call was taken to determine who was in attendance and a quorum established. It is noted that during today's roll call board members Charles Capito and Taunja Willis Miller announced that they will recuse themselves from discussions/voting on Consent Agenda item 4(a) – the Authorizing Resolution for the refunding of certain bonds in an aggregate principal amount not to exceed \$400,000.00.

## **Executive Session**

Chairman Alvarez requested a motion that the Board go into Executive Session, under authority in West Virginia Code §§6-9A-4(b)(2)(A), (b)(9), and (b)(12) to discuss confidential, privileged, and deliberative matters regarding:

- a. The investment of public funds, specifically, pursuant to the proposed Authorization Resolution;
- b. The proposed Amendment to the Steam Purchase Agreement; and,
- c. Potential strategic initiatives relating to legislative matters and the current session of the West Virginia Legislature.

The motion was made by William Wilmoth, seconded by Dr. Stanley Hileman and passed. Following the conclusion of Executive Session, Lisa A. Martin moved that the Board rise from Executive Session. This motion was seconded by J. Robert (J.R.) Rogers and passed. Upon returning to General Session, Chairman Alvarez announced that there were no actions taken as a result of today's Executive Session.

### **Authorizing Resolution of the West Virginia University Board of Governors for the refunding of the 2011 Series B, 2013 Series A and 2014 Series A Bonds in an aggregate principal amount not to exceed \$400,000,000.**

Vice President for Strategic Initiatives, Rob Alsop, announced that this Consent Agenda Item 4(a) will be pulled and voted on separately. He then provided the following overview:

WVU wishes to refund the 2011 Series B, 2013 Series A and 2014 Series A Bonds and seeks authorization to issue up to \$400,000,000 in Taxable Advance Refunding Revenue Bonds to do so. Over the past several months, interest rates in the municipal bond market have fallen to the point that it may be advantageous to refinance the 2011 Series B, 2013 Series A and 2014 Series A Bonds. The University will only

refinance the Bonds under favorable conditions as evidenced by net present value savings of at least 5% and an efficiency ratio of at least 60%. The University expects to issue the Bonds prior to April 1, 2020. The savings will enable the University to keep tuition low, supplement anticipated pay raises and invest in new academic programming to increase recruiting opportunities.

Following the overview Chairman Alvarez asked for a motion for the WVU Board of Governors to approve the execution of an Authorizing Resolution of the West Virginia University Board of Governors for the refunding of the 2011 Series B, 2013 Series A and 2014 Series A Bonds in an aggregate principal amount not to exceed \$400,000,000, as presented. The motion was made by Elmer Coppoolse, seconded by J. Robert (J.R.) Rogers and passed – with a notation on the recusal of board members Charles Capito and Taunja Willis Miller as noted during the roll call for today’s meeting.

### **Authorization to Amend Steam Purchase Agreement with Morgantown Energy Associates**

Vice President for Strategic Initiatives, Rob Alsop, announced that this Consent Agenda Item 4(b) will be pulled and voted on separately. He then provided the following overview:

Morgantown Energy Associates (“MEA”) runs a power plant in downtown Morgantown and provides steam to WVU from that site. The University’s current contract with MEA was executed in 1989 and was amended in 2012. The contract provides that MEA will run a coal-fired power plant in Morgantown and then sell us steam that is created as a result of the power generation facilities. The current agreement expires in April of 2027.

Mon Power also purchases electricity from this plant. Recently Mon Power negotiated with MEA to terminate their agreement as a savings to rate payers, which has been approved by the state Public Service Commission. As a result, MEA approached the University, asking the University to renegotiate its contract, as the plant intends to continue to provide steam to the University but through the use of natural gas boilers as opposed to using coal waste. The University has re-negotiated its steam purchase cost calculation formula and minimum take requirements with MEA. This new rate structure is projected to provide cost savings to WVU during the remainder of the contract.

Following the overview Chairman Alvarez asked for a motion for the WVU Board of Governors to authorize management to complete negotiations and execute an amendment to the Steam Purchase Agreement with Morgantown Energy Associates.

The motion was made by Marty Baker, seconded by Kevin Craig and passed – with a notation on the recusal of board members Charles Capito and Taunja Willis Miller as noted during the roll call for today’s meeting.

### **Consent Agenda**

Chairman Alvarez called for any discussion of today’s remaining Consent Agenda items and asked whether any of these items needed to be pulled for a separate discussion/vote. There being no such request made, Lisa A. Martin moved that the balance of today’s Consent Agenda be approved. This motion was seconded by Dr. Stanley Hileman and passed.

Thereupon, the following Consent Agenda items were approved:

- 1. Approval of New Major: Health Services Management and Leadership**  
Resolved: That the West Virginia University Board of Governors approves the creation of a BS in Health Services Management and Leadership in the School of Public Health.
  
- 2. Approval of New Major: Music and Health**  
Resolved: That the West Virginia University Board of Governors approves the creation of a BS in Music and Health in the College of Creative Arts

### **Adjournment**

There being no further business to come before the Board, Kate Dye moved to adjourn the meeting. The motion was seconded by J. Robert (J.R.) Rogers and passed. The meeting was adjourned at 1:20 p.m.

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Taunja Willis Miller, Secretary