A meeting of the Executive Committee of the Board of Trustees of The Trustees of Purdue University convened at 11:32 a.m. on Tuesday, January 28, 2014 in Room 326 of Stewart Center, Purdue University, West Lafayette, Indiana.

Roll call was taken, with all committee members present by means of electronic communication pursuant to the Electronic Meeting Policy: Thomas Spurgeon, chair; Michael Berghoff; JoAnn Brouillette; John Hardin and Gary Lehman. Other trustees in attendance by means of electronic communication were Sonny Beck and Vanessa Castagna.

Also in attendance were: Al Diaz, Executive Vice President for Business and Finance, Treasurer; Jim Almond, Senior Vice President for Business Services and Assistant Treasurer; Steve Schultz, Legal Counsel; and Janice Indrutz, Executive Assistant to the Board and Corporate Secretary.

I. APPROVAL OF INTERLOCAL AGREEMENT WITH CITY OF WEST LAFAYETTE

Legal Counsel Schultz observed that on November 7, 2013, the West Lafayette City Council adopted an ordinance incorporating a proposal, supported by an approved fiscal plan, to annex certain tracts of land in Tippecanoe County, Indiana that are located west of the City of West Lafayette, including portions adjacent to the newly opened U.S. 231 Corridor. A 90-day remonstrance process commenced thereafter and is scheduled to end on February 13, 2014, at which time annexation would take effect. Mr. Schultz explained that the action recommended to the Committee reflects the efforts of Purdue’s Physical and Capital Planning team to stay in close communication and work collaboratively with the City’s planners throughout the annexation process in order to ensure a clear understanding of its potential impacts on Purdue, as well as to identify new and continued opportunities for mutually beneficial collaboration with the City. A vote by the Committee at this meeting would effectively allow annexation to go into effect at the end of the remonstrance period on February 13, 2014.

In addition, Mr. Schultz explained that the Committee’s approval of a related Interlocal Cooperation Agreement is being requested. Mr. Schultz explained that the Interlocal Cooperation Agreement addresses various shared public safety, public works, and TIF district issues and would serve as a formal mechanism for ongoing collaboration between the City and Purdue on other issues of mutual concern, including land use and development. Treasurer Diaz reiterated that, through this action, the Committee would be granting authority, on behalf of the Board, for the university not to remonstrate against the annexation and to enter into the Interlocal Cooperation Agreement.
Mr. Ken Sandel, Director of Physical and Capital Planning, and Mr. John Collier, Director of Campus Master Planning, were in attendance to assist with answering questions from the Board members. Discussion included clarification of the property included within the “south island” in this instance and the effective date of the Interlocal Cooperation Agreement.

Following discussion, Trustee Hardin moved to approve the resolution provided by Mr. Schultz, and Trustee Brouillette seconded the motion. Therefore, upon proper motion duly seconded, the Executive Committee voted unanimously by roll-call vote to approve the resolution 1) to provide authorization not to remonstrate in connection with the proposed annexation by the City of West Lafayette of certain tracts of land located in the U.S. 231 Corridor, 2) to authorize and empower the officers of the Corporation to enter into an Interlocal Cooperation Agreement with the City of West Lafayette, and 3) to request that the continued cooperation and assistance of the Purdue Research Foundation be sought in matters relating to the annexation and the Interlocal Cooperation Agreement.

Chairman Spurgeon thanked the administration team for their efforts and members of the Board for their attention, questions, and constructive comments and notes of caution, which had resulted in a strong due diligence effort and the satisfactory resolution of several important considerations. Treasurer Diaz expressed his appreciation for the Board’s active participation. A copy of the resolution and the supporting documents will be filed with the minutes.

II. APPROVAL OF CONTRACT IN EXCESS OF $2,000,000: SARCOM

Assistant Treasurer Almond explained that the university has a series of orders for Cisco infrastructure equipment with a list price of $10,700,000. This equipment is part of new construction projects previously approved and underway, along with planned replacements and upgrades by ITaP. The equipment is purchased through SARCOM, a reseller of Cisco equipment located in Fishers, Indiana, and the university benefits by participating in a State of Indiana quantity purchase agreement that allows for negotiated, discounted pricing at 45% of the list price. Moreover, ITaP negotiated an additional discount of $1,600,000 based on the volume of equipment, which resulted in an overall savings to the university of $5,698,236. However, to obtain the discounted pricing, the university had to commit to the purchase by January 21, 2014 or lose the significant discount. Therefore, given the unusual circumstances, the amount of discount at risk, and the planned purchase of this equipment, Mr. Almond requested the Board’s retroactive approval of the contract with SARCOM in the amount of $4,301,764. Dr. Gerry McCartney, Vice President for Information Technology, was in attendance by phone to assist with answering questions from the Board members. Board members were pleased with the outcome of these negotiations and expressed their interest in extending these types of negotiations to procurement beyond ITaP. Mr. Almond said that other such opportunities are being explored.

Following discussion, and upon proper motion duly seconded, the Executive Committee voted unanimously by roll-call vote to approve the contract with SARCOM in the amount of $4,301,764. The supporting document will be filed with the minutes.

III. ADJOURNMENT

Chairman Spurgeon requested that Secretary Indrutz make those Board members not in attendance aware of the actions taken by the Executive Committee.

By consent, the meeting adjourned at 11:49 a.m.