

The Board of Trustees of the University of Central Arkansas convened in a called meeting at 2:00 p.m., Tuesday, September 24, 2013, in the Board of Trustees Conference Room in Wingo

Contract involving more than \$250,000
Contract with a term exceeding one (1) year

1. Parties: University of Central Arkansas and Taggart Architects, Inc.
2. Purpose: The purpose of this contract is to obtain architectural and engineering services for the design of a Nursing and Communication Sciences and Disorders Building. If the Board approves this contract, Taggart Architects will assess and make a recommendation to the University for the best location for the building, and will develop a cost estimate, building design and programming.
3. Term: The term of this agreement is from October 21, 2013, through June 30, 2015, with the option to renew the agreement through 6/30/2016.
4. University Funds to be Paid: The estimated cost is \$960,000 (if the building is subsequently built), which is 8% of \$12,000,000. The initial design cost will be less, and negotiated between the parties.
5. Funds Received: N/A
6. Public Bid/Purchasing Approval: A Request for Qualifications was issued on July 17, 2013, with a response deadline of July 30, 2013. Fourteen firms submitted a response and interviews were conducted by a university committee of six persons. Interviews were held with the top three firms on August 30, 2013, and the committee selected Taggart a term exceeding one6,(ns. D op three f,.F(1)Tj uil 6nFKc.O.l)Tj

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The family of the owner of a house and lot with a street address of 100 South Elizabeth Avenue approached the University about purchasing the property.

The owner of the property is the Lewis and Grace Thompson Joint Revocable Trust (Seller). Through negotiations, the University has signed an offer and acceptance with the Seller for



Thompson Offer

August 28, 2013

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any: property: 1

roperty for the current year will be prorated at 5. Any and all taxes or assessments on the P

or previous year. of closing. Seller shall be responsible for all prorated expenses

6. The Seller shall be responsible for all prorated expenses

15. If Buyer desires to have a survey of the Property prepared prior to closing, Sellers agree to cooperate in having the survey prepared by a surveyor at the expense of Buyer.

16. Sellers represent and warrant that:

(a) they have the right to sell the Property;

(b) the Property is not subject to any liens, mortgages, or other encumbrances, except as shown on the plat of subdivision;

(c) the Property is not subject to any restrictive covenants, easements, or other limitations on use, except as shown on the plat of subdivision;

(d) they have not received any notice of a claim against the Property;

(e) they have not received any notice of a claim against the Property;

(f) they have not received any notice of a claim against the Property;

(g) they have not received any notice of a claim against the Property;

(h) they have not received any notice of a claim against the Property;

(i) they have not received any notice of a claim against the Property;

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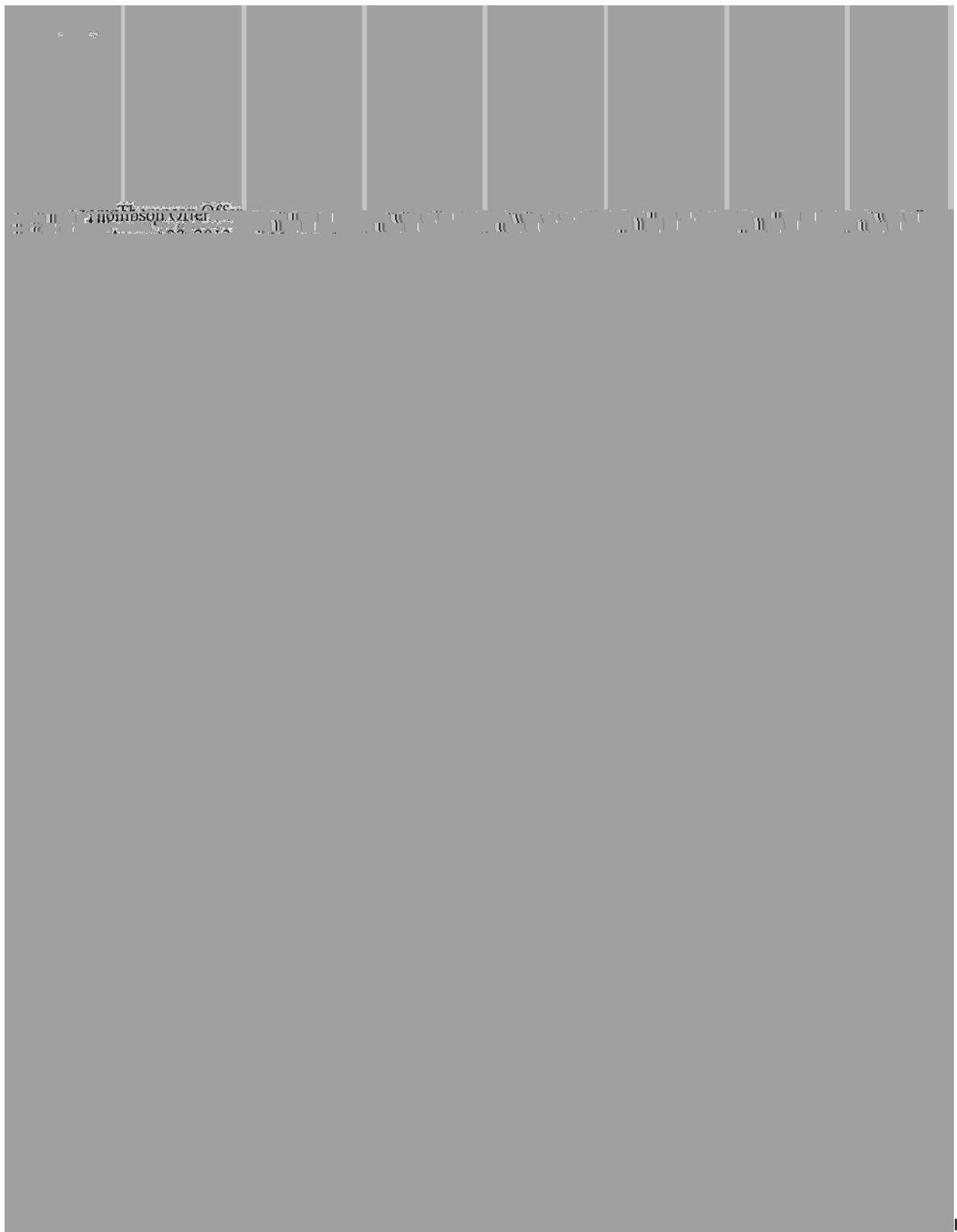
(af) they have not received any notice of a claim against the Property;

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On Friday, September 13, 2013, the Board of Trustees authorized the administration to proceed with a condemnation suit concerning a parcel of property approximately 1.19 acres (150' by 346') owned by Hammett Family Properties, LLC, and the Estate of Mary Hammett.

The reason for seeking authority to condemn the property is

For several years, the subject of Greek housing and/or the establishment of a Greek Village has been discussed. The topic was presented and reviewed at the Board of Trustees' retreat in March 2013 and at the August 16, 2013 Board meeting.

The administration requested that the Board of Trustees grant authority to proceed with a feasibility study for a bond issue to fund the design and construction of a project known as "Greek Village Phase I."

In 2012, an architectural firm, Caradine Companies Architecture ("Caradine"), was approved by the Board to begin the concept and preliminary design work on the project. Caradine, along with Brailsford & Dunlavey, consultants, worked with the UCA Greek community on the concept of a Greek Village. Focus groups were held with campus Greek organizations and a memo was presented to the Board of Trustees in August showing the interest in a Greek Village and the level of commitment by each organization. While three fraternities desire to enter into a ground lease with the University, and then build their own fraternity house, there are five sororities that are ready, willing and able (in the opinion of the administration) to occupy a sorority house if built by the University.

At its August 2013 meeting, the Board reviewed the considerations and assumptions included in the pro-forma financial statements for Greek Village. The Board also reviewed placement options for the buildings as provided by Caradine. In order for the Board to more fully review the information provided, further action was to be placed on the agenda for a future called meeting.

The proposed complex will include five sorority houses (each accommodating 23 residents), phase I of the community center, which will include chapter meeting rooms for the National Pan-Hellenic Council, and the overall design of Greek Village. The preliminary plans for the sorority houses provide for a two-story Georgian structure with a formal parlor, TV room, kitchen, small dining room, laundry room, restrooms and bedrooms on both levels. The sorority's chapter room will be located at the back of the structure on the ground floor and will accommodate approximately 125 students.

The project is anticipated to cost approximately \$12 million, including construction, architect and engineering fees, utility work, infrastructure, furnishings and fixtures, capitalized interest, finance costs and a contingency. The proceeds of the bonds, if approved by the Arkansas Higher Education Coordinating Board ("Coordinating Board"), and then by UCA's Board will be used to fund the project. If the estimated cost of the five sorority houses and phase I of the community center exceeds \$12,000,000, the project will be brought back to the Board for approval. The debt service will be repaid with housing revenue from the residents and parlor fees from each member of the participating sorority. The "breakeven year" is projected to be year 15 of the debt service schedule within the current assumptions. The pro-forma will be amended to reflect additional

parlor fees from those chapters that will have meeting space located in phase I of the community center.

The Coordinating Board's policy regarding debt service for auxiliary projects provides that annual net auxiliary revenues should be no less than 120 percent of the total annual auxiliary debt service.

Actual Net Auxiliary Revenue for FY 2012-13	\$	10,659,313
Maximum Allowable Debt Service (\$10,659,313/120%)		8,882,761
Existing Maximum Auxiliary Debt Service		6,867,119
Estimated Maximum Project Debt Service		862,000
Amount Remaining for Additional Debt Service	\$	1,153,642

The above data demonstrates that the University has sufficient revenue to support an auxiliary loan of approximately \$12 million with a term of 30 years at an estimated annual interest rate of not to exceed five and three-quarter percent (5.75%).

In accordance with the Coordinating Board's policy, the University will establish and maintain a building maintenance fund to be supported by auxiliary revenue. UCA will annually reserve a minimum of \$1.25 per square foot of the combined square feet for ongoing maintenance issues. This annual transfer of \$59,825, based on the combined square feet, will be held in the Plant Funds' Repair and Replacement Fund.

If approved by the Coordinating Board, another resolution on this topic will be presented to UCA's Board of Trustees at the October 11, 2013, meeting.

The following resolution was unanimously adopted upon motion by Bunny Adcock and second by Bobby Reynolds:

The Board of Trustees of the University of Central Arkansas ("University") must approve all requests for financing; and

, The University desires to secure funds in an amount not to exceed \$12 million by the issuance of bonds, with a term not to exceed 30 years at an interest rate not to exceed 5.75% and with a projected average annual debt service of \$862,000; and

, The proceeds from the bonds will be for the design and construction of five sorority houses and phase I of the community center on the University's campus to be known as "Greek Village, Phase I"; and

, If approved and issued, the bonds will be serviced from auxiliary revenues of the University, the same being housing revenue from residents of the sorority houses as well as parlor fees from all participating sorority members; and

The Board of Trustees authorizes and recommends the commencement of preparations for securing a bond issue in an aggregate principal amount not to exceed \$12,000,000 for the purposes described above.

The Board of Trustees of the University of Central Arkansas hereby authorizes the administration to commence all necessary preparations to issue bonds in an amount not to exceed \$12,000,000 with a term not exceeding 30 years and at an interest rate not to exceed 5.75%, with terms and conditions satisfactory to the administration, subject to final review and approval by resolution of this Board.

The Board further authorizes the administration to seek approval from the Arkansas Higher Education Coordinating Board for issuing the bonds.

The loan will be secured for the purpose of developing a master plan for a Greek Village, as well as design and construction of five sorority houses and phase I of the community center in a project known as "Greek Village Phase I", and in addition the administration will report to the Board of Trustees by October 11, 2013, the status of fraternities who desire to build or have houses constructed for them to lease as part of Greek Village."

ADOPTED AND APPROVED September 24, 2013.

By: _____
Victor Green, Chairman

ATTEST:

By: _____
Brad Lacy, Secretary

Response to the question regarding the following information is as follows:

The following organizations were the University of the Pacific:

- Sigma Sigma
- Sigma Alpha
- Kappa
- Zeta Sorority
- Alpha Sigma Alpha

The following fraternities:

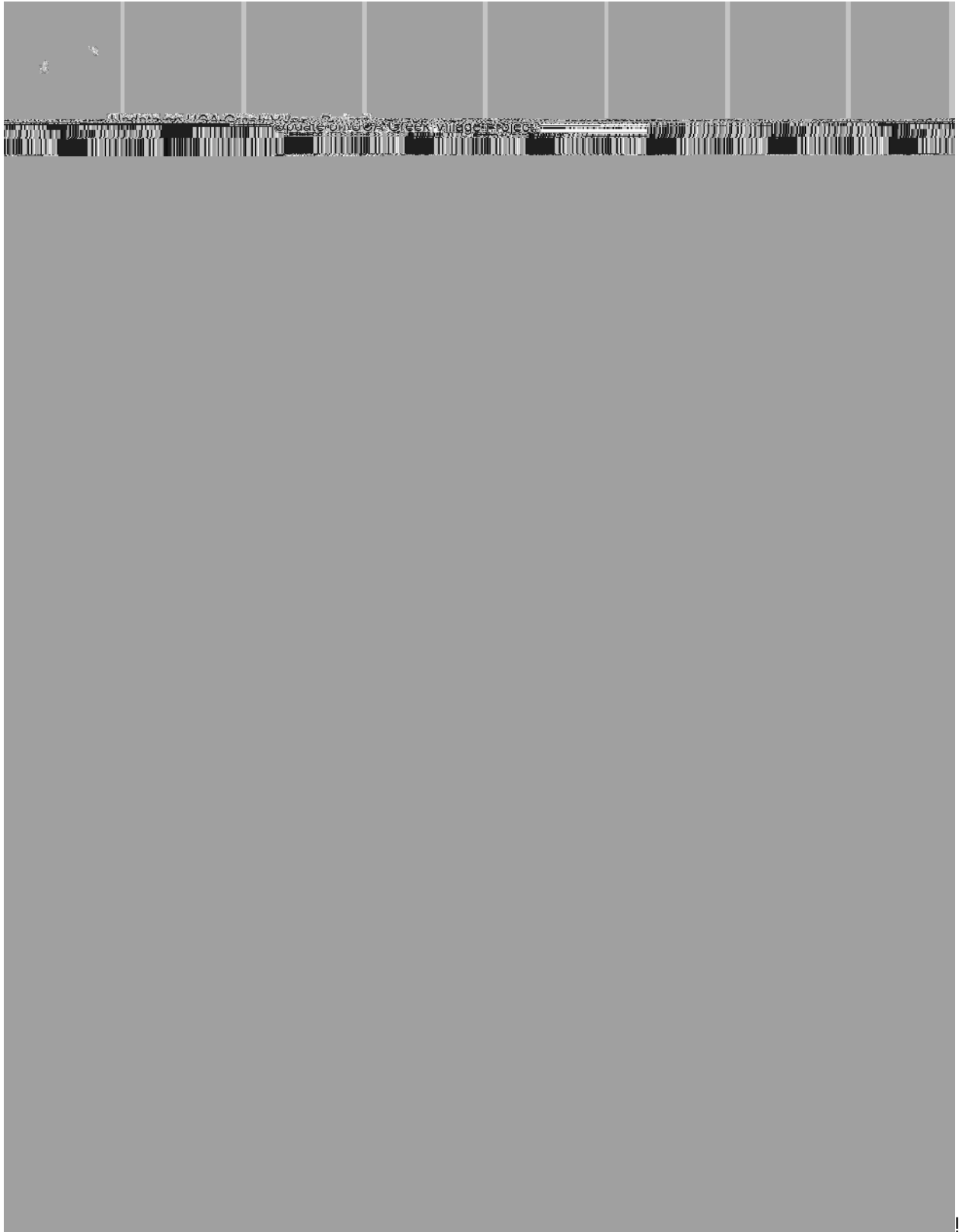
- Kappa Sigma
- Pi Kappa Alpha
- Beta Upsilon Chi (religious fraternity)

The following fraternities expressed interest in building their own house:

- Phi Sigma Kappa
- Phi Sigma Kappa
- Phi Sigma Kappa

The following organizations wish to have a house built on the campus:

- Kappa Alpha Psi Fraternity
- Alpha Phi Alpha Fraternity
- Zeta Phi Beta Sorority



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There being no further business to come before the Board, the meeting was adjourned upon motion by Brad Lacy and second by Shelia Vaught.

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