

The Board of Trustees of the University of Central Arkansas convened in a called teleconference meeting at 11:00 a.m., Tuesday, July 22, 2014, with the following officers and members present:

Chair:	Ms. Kay Hinkle
Vice Chair:	Mr. Brad Lacy
Secretary:	Ms. Sheila Vaught
	Mr. Bunny Adcock
	Ms. Elizabeth Farris
	Mr. Victor Green
	Mr. Bobby Reynolds

## **ACTION AGENDA**

### **Contract Review Procedures – Board Policy No. 416**

Pursuant to Board Policy No. 416, Contract Review Procedures, the administration must seek board approval for (i) any contract that will require the expenditure by the university of funds, at any time, in excess of \$250,000; or (ii) any contract with a term exceeding one year, unless the Office of General Counsel certifies, in writing, that the contract may be terminated by the university on the giving of written notice of 90 days or less.

The administration is seeking board approval for the following contracts:

- Agreement between the University of Central Arkansas and 4 Hims, LLC
- Agreement between the University of Central Arkansas and Blackboard Inc.

The following resolution was unanimously adopted upon motion by Shelia Vaught and second by Bunny Adcock:

**“BE IT RESOLVED: That the Board of Trustees authorizes the administration to enter into the contracts for the purposes set forth above.”**

**UNIVERSITY OF CENTRAL ARKANSAS**  
**REASON FOR REQUIRING BOARD REVIEW AND ACTION**  
**(Board Policy No. #416)**

Contract with a term of more than one year and funds in excess of \$250,000

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**SUMMARY**

1. Parties: 4 Hims, LLC (“Lessor”) and University of Central Arkansas (“Lessee”).
2. Purpose: Lease for office space at 2125 College Avenue. The university will use the space for the Purchasing Office. The Purchasing Office is currently located in McCastlain Hall, and the new location will provide improved space.
3. Term: The term of the proposed lease is seven years, from approximately August 1, 2014, until June 30, 2021.
4. University Funds to be paid: The university will pay \$3,100 a month for a total of \$37,200 per year.
5. Funds Received: None
6. Public Bid/Purchasing Approval: No bid or purchasing requirements involved.
7. Special Provisions/Terms/Conditions: Lease was drafted by and requires the approval of the Arkansas Building Authority. The university will have the right of first refusal in the event the owner decides to sell the property.
8. Approval/Notification to UCA Foundation: N/A.

Form prepared by: Warren Readnour, General Counsel

Date: July 3, 2014

# UNIVERSITY OF CENTRAL ARKANSAS

## ***REASON FOR REQUIRING BOARD REVIEW AND ACTION (Board Policy No. #416)***

Contract with a term of more than one year and funds in excess of \$250,000

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### **SUMMARY**

1. Parties: University of Central Arkansas and Blackboard Inc.
2. Purpose: Amend an existing contract with Blackboard regarding purchase and installation of a door access control system for the campus. The university has a master agreement with Blackboard to provide and install the equipment, but the university has the discretion on whether to initiate a particular project. The initial contract was for \$249,000 to install the door access control system in various housing buildings.  
  
There are additional phases to the project. A chart is attached showing the subsequent phases.
3. Term: The term of the current agreement is for one year ending June 30, 2015, with the option to renew in one-year periods not to exceed a total of seven years.
4. University Funds to be paid: Up to \$2,000,000 if all phases of the project are completed.
5. Funds Received: None.
6. Public Bid/Purchasing Approval: A Request for Proposal for an access control system was advertised. Three proposals were received and opened on April 24, 2014. A selection committee chose Blackboard Inc.
7. Special Provisions/Terms/Conditions: The funds are to be paid for each job as funds are available and work is performed to install a door access control system. The university, however, is not obligated to pay any funds unless it initiates a project.
8. Approval/Notification to UCA Foundation: N/A.

Form prepared by: Warren Readnour, General Counsel

Date: July 3, 2014

### Blackboard Door Access Project

PHASE 1	All residence halls
PHASE 2	4 Educational and General buildings
PHASE 3	All other Buildings with off line locks
PHASE 4	Convert the 10 Educational and General buildings that have Stanley Basis
PHASE 5	Take 13 out of the 26 remaining Educational and General buildings
PHASE 6	Take the remaining 13 Educational and General buildings

### **Property Acquisition – 315 Western Avenue, Conway, Arkansas**

The Greenbrier Missionary Baptist Association owns the property located at 315 Western Avenue which is commonly known as the Perspective Baptist Ministry Building. The university contacted the association in order to purchase the property for the expansion of the Lewis Science Center. Acquisition of this property and the adjacent property owned by the Wesley Foundation Campus Ministry will allow the new edition to the Lewis Science Center to be located on Bruce Street.

The property was appraised for \$310,000 as of May 16, 2014. A copy of the appraisal was previously provided to board members. The university has signed an offer and acceptance with the sellers for \$310,000. A copy of the signed agreement is attached. In addition, a copy of a June 4, 2014, letter from President Courtway discussing additional terms is attached. The additional terms include a 99-year lease for land on College Avenue for one dollar per year. The closing of the proposed acquisition is conditioned upon the approval of the Board of Trustees.

The following resolution was unanimously adopted upon motion by Brad Lacy and second by Victor Green:

**“BE IT RESOLVED: That the Board of Trustees approves the transaction described above with the Greenbrier Missionary Baptist Association for the sale and purchase of a building with a street address of 315 Western Avenue, Conway, Arkansas, for the sum of \$310,000 and a 99-year lease for land on College Avenue, and the president and such other officials of the University of Central Arkansas, as the president may from time-to-time designate, are hereby authorized and directed to enter into and execute such other documents, agreements and instruments as are necessary and required to consummate the foregoing purchase.”**



May 27, 2014  
Hand Delivered

Greenbrier Missionary Baptist Association  
("Perspective Baptist Ministry Building")  
315 Western Avenue  
Conway, AR 72034

**RE: OFFER & ACCEPTANCE – 315 Western Avenue, Conway, AR 72034**

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Dear Greenbrier Missionary Baptist Association:

Subject to the satisfaction of all of the provisions and conditions set forth herein, the Board of Trustees of the University of Central Arkansas ("**Buyer**") offers to purchase from the Greenbrier Missionary Baptist Association ("**Sellers**") the property described below for the sum of Three Hundred Ten Thousand Dollars (\$310,000), plus the Buyer's share of the closing costs.

The property subject to this offer and acceptance is a building and lot located at 315 Western Avenue, Conway, Arkansas, 72034, and is more particularly described as follows:

**Lots 7 and 8, Block 6, Littles Addition to the City of Conway, Arkansas, as shown on plat of records in Plat Book A, Page 148, Records of Faulkner County, Arkansas and also the East half of a 16 foot alley.**

The foregoing legal description shall be referred to as the "Property." If a survey shall establish a different legal description, the parties agree to modify the legal description to conform to the survey, the intent of the parties being that the entire parcel owned by the Sellers is to be conveyed at closing.

The terms and conditions of this offer to purchase are as follows:

1. The closing date will occur at a mutually acceptable date to be agreed upon by both parties, but shall occur not later than June 30, 2014;
2. Buyer shall be entitled to possession of the Property at closing;
3. A policy of title insurance satisfactory to Buyer, insuring unencumbered fee simple title

to the Property in Buyer as of closing shall be procured and paid for by Sellers;

4. Sellers shall deliver at closing (a) a warranty deed in standard form conveying fee simple absolute title to the Property (and any mineral interests owned by Seller), free from all liens, claims or encumbrances of any kind with the grantee being "The Board of Trustees of the University of Central Arkansas" and (b) an assignment of any leases and all rents from the Property, if any;

5. Any and all taxes or assessments on the Property for the current year will be prorated at closing. Sellers shall be responsible for all real property taxes for previous years;

6. Buyer and Sellers will share the cost of closing fees and document preparation. No revenue stamps shall be required due to an exemption under Arkansas law for conveyances by or to a state agency (Buyer);

7. If any personal property shall be stored or situated on the Property, the same shall be removed prior to closing;

8. Sellers represent and warrant to Buyer that Sellers are the sole owner of the Property, and no other person or entity has any form of ownership interest in, or right to use or occupy the Property, and further, that Sellers are in sole and exclusive possession of the Property, except for leases, copies of which have been delivered to representatives of Buyer;

9. Sellers represent and warrant to Buyer that all liens against the Property and all money owed on the Property, if any, are the responsibility of Sellers, and if existing will be satisfied and paid in full at, or prior to, closing;

10. Sellers represent and warrant to Buyer that there are no unrecorded rights-of-way for roadway, utilities or other matters affecting the Property;

11. Sellers represent and warrant to Buyer that there is no loss arising from oil, gas, or other minerals conveyed, retained, or assigned, or from any other activity concerning sub-surface rights or ownership of the subject property, including but not limited to the right of egress or ingress for said sub-surface purposes;

12. Sellers represent and warrant to Buyer that there are no proceedings, either pending or threatened, which, if decided adversely to Sellers, would constitute a lien on the Property; nor are there any money judgments entered by a court against Sellers that constitute a lien on the Property.

13. Sellers represent and warrant to Buyer that there are no unrecorded contracts of sale,

Perspective Offer  
May 27, 2014  
Page 3

options to purchase, or any other kind of agreement with any person or entity, affecting the Property;

14. Sellers shall be responsible for all risk of loss to the Property and improvements thereon (if any) prior to closing;

15. If Buyer desires to have a survey of the Property performed prior to closing, Sellers agree to cooperate in having the survey performed. Any survey shall be at the expense of Buyer;

16. Sellers represent and warrant that to the best of Sellers' knowledge, no hazardous wastes or materials of any kind have been generated, produced or stored upon the Property, and that to the best of Sellers' knowledge, no such hazardous wastes exist today on the Property; and

17. Sellers shall complete and deliver, prior to closing, the attached "Disclosure Form" which will become part of the Offer and Acceptance document. Failure to make any disclosure required by the Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of the contract. Any contractors, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the Buyer.

18. Buyer's obligations under this agreement are expressly conditioned upon the prior approval of the Board of Trustees of the University of Central Arkansas. This agreement and Buyer's obligations hereunder shall not be a valid and binding legal obligation of Buyer until approved by resolution duly adopted by the Board of Trustees of the University of Central Arkansas.

19. Buyer will lease and let unto Seller unimproved real property located on College Avenue. The property, consisting of approximately 0.5 acres, is the south half of a lot located east of College Square Retirement Center and north of the baseball field. Seller shall be granted a 99 year lease at the rate of \$1 per year, subject to signing of a lease agreement prepared by Arkansas Building Authority. The property must be used for construction of a building by the Seller, subject to University approval, that will be used for ministering to University students in a similar manner to the current use of the property at 315 Western Avenue. Seller shall not lease, sublease or sell or permit the use of any portion of the property.

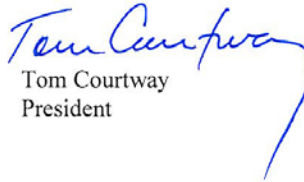
There are two originals enclosed. If the terms are agreeable to you, please sign both of them, retain one for your files and please deliver the other original to Warren Readnour, General Counsel, University of Central Arkansas, Wingo Hall 207, 201 Donaghey Avenue, Conway, AR 72035. If you have any questions, you may call Mr. Readnour at 501-450-5007.



Perspective Offer  
May 27, 2014  
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**This offer shall terminate and be of no effect unless it is signed by Sellers, and delivered to Warren Readnour, General Counsel, by 4:30 P.M. Central Time on Friday, June 6, 2014.**

Sincerely,

  
Tom Courtway  
President

**ACCEPTANCE BY SELLERS**

The offer set forth above and all terms and conditions are hereby accepted on this 7<sup>th</sup> day of June, 2014, at 11:00 (A.M.) or P.M.).

Greenbrier Missionary Baptist Association

By: Ed Stephenson - Moderator

By: Daniel Wilkins - Clerk



June 4, 2014

Dr. Jason Aultman  
150 Amity Road  
Conway, AR 72032

RE: University of Central Arkansas – Lewis Science Center Project

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Dear Dr. Aultman:

Several questions have been raised in regard to the recent discussions we've had with your organization (as well as Wesley Foundation Campus Ministry) regarding the acquisition of the Perspective Baptist Ministry Building and property on Western Avenue. In this letter, we will set forth our answers to some questions/comments in the hope that this will facilitate another discussion as soon as possible.

1. Survey. We are in the process of having the property on College Avenue surveyed. We will have this in the near future and will provide copies to your organization as well as Wesley Foundation. Once this survey is performed and the legal descriptions obtained, we will then determine which parcel will be suitable for your organization, and which one will be suitable for Wesley Foundation (if either or both of you decide to remain on our campus).
2. Parking. While the structure you build should have parking, we have no problem providing not more than three reserved parking spaces in the UCA lot immediately west of the lot. These would be reserved 24/7 for your director and others, but also please note that to the extent any others are our students they could already utilize such lot.
3. Ground Lease Provisions. As we have discussed and as contained in the written offer we've made, we would propose a ninety-nine year ground lease for nominal rent. As with other leases we've entered into, in the event you vacate the premises, or the lease expires, then we would have the option to purchase the improvements for their then fair market value, as determined by appraisals. You would be permitted to have appropriate signage on the property, and with regard to the design, we would have a three person committee approve your plans simply to make sure that the exterior design has some conformity to UCA. In the past, this has not been a problem.
4. Temporary Space Conditions. We have at least two possibilities for temporary space. One would be a house we own with a street address of 2331 College Avenue. Another is

a house at 218 Donaghey Avenue (between South Boulevard and Bruce Street) although it is occupied at this time. We will let you know if another one becomes available.

5. With regard to such temporary space, we would propose the following conditions:
  - (a) No rent would be required;
  - (b) The time of the temporary space would be two years from the date we close on the purchase and sale of your existing property, although with both parties written consent an additional year could be added;
  - (c) Your organization will be responsible for payment of all utilities; and
  - (d) Your organization will be responsible for maintaining the interior, exterior, and all routine maintenance of the structure. Maintenance of the exterior will include mowing at least once per week during the spring and summer months. We will be responsible for heating, air conditioning, plumbing, electrical, roof, structural walls, and other similar matters.
6. Possession of Existing Property. If we reach agreement on the purchase price and the other provisions of the transaction, we would permit your organization to remain in your existing facility until the close of business on Tuesday, September 30, 2014. As part of such possession, however, your organization would be required to indemnify and hold UCA harmless from and after the closing until the date we take possession.

This should cover the various matters that have been raised in our conversations with you and the Wesley Foundation as well as the question of possession of the property. As with the matters set forth in the written offer to you, all of these provisions are subject to approval of the UCA Board of Trustees. We will be happy to meet with you and your working group at your convenience, and we look forward to a successful and prompt resolution of these issues. Please let me know if you have any additional questions.

Sincerely,

  
Tom Courtway  
President

TC:ct

cc: UCA Board of Trustees  
Diane Newton  
Warren Readnour ✓  
T. J. Johnston

**Request for Authorization to Proceed with Eminent Domain Proceedings on Property Located at 2302 Bruce Street, Conway, Arkansas**

The administration is seeking authority from the Board of Trustees to proceed with eminent domain proceedings in order to acquire the property at 2302 Bruce Street for the expansion of the Lewis Science Center. The university, acting through the Board of Trustees, has the authority to exercise eminent domain (condemnation) pursuant to the provisions of Ark. Code Ann. § 6-62-201.

The property is owned by Wesley Foundation ASTC (commonly known as The Wesley Foundation Campus Ministry) and the property is referred to as the “Wesley Foundation Property.” The Wesley Foundation Property is a tract of land situated on Bruce Street east of the Lewis Science Center and consists of a 3,613 square-foot building on approximately .58 acres. The legal description is as follows:

**Lots 9 and 10, Block 6, Littles Addition to the City of Conway, Arkansas, as shown on plat of records in Plat Book A, Page 148, Records of Faulkner County, Arkansas and also the East half of a 16 foot alley.**

During the past decade, informal discussions have been held from time-to-time with the owners of the property; however, the university has never made a formal offer on the property. After the Board of Trustees approved expansion of the Lewis Science Center, the administration contacted both the Wesley Foundation Campus Ministry and the Greenbrier Missionary Baptist Association, which owns the adjacent building commonly known as the Perspective Baptist Ministry Building. Acquisition of both buildings is necessary for the expansion of the Lewis Science Center.

The Wesley Foundation Property appraised in May 2014 for \$460,000. On May 27, 2014, the Wesley Foundation Campus Ministry was offered a sum of \$460,000 as well as a temporary location and the option to lease other university property. In a letter dated May 30, 2014, the Wesley Foundation requested additional information regarding the temporary facilities and proposed lease. The administration subsequently provided additional details in a letter dated June 4, 2014. The Wesley Foundation declined the university’s offer in a letter dated June 27, 2014, and made a counter offer that in part requested \$595,000 for the property. In a letter dated July 2, 2014, the president identified the address of the temporary location and the tract of land available for a 99-year lease for one dollar per year, but declined to pay more than the appraised value. In a letter dated July 8, 2014, the Wesley Foundation again declined the university’s offer, and made a counter offer in the amount of \$575,000.

The administration is requesting authority from the Board of Trustees to proceed with a condemnation action in order to acquire the Wesley Foundation Property. The public purpose is for the expansion of the Lewis Science Center.

The following resolution was unanimously adopted upon motion by Bobby Reynolds and second by Brad Lacy:

**RESOLUTION**

**AUTHORIZING CONDEMNATION PROCEEDINGS  
UNDER  
ARK. CODE ANN. §6-62-201**

WHEREAS, the Board of Trustees of the University of Central Arkansas has reviewed and discussed the acquisition of 2302 Bruce Street in the City of Conway, Arkansas, which is more particularly described as follows:

**Lots 9 and 10, Block 6, Littles Addition to the City of Conway, Arkansas, as shown on plat of records in Plat Book A, Page 148, Records of Faulkner County, Arkansas and also the East half of a 16 foot alley.**

WHEREAS, the property is owned by Wesley Foundation ASTC (commonly known as The Wesley Foundation Campus Ministry) and referred to herein as the “Wesley Foundation Property”; and

WHEREAS, the Board of Trustees has determined that the administration of the university has exercised every reasonable effort to obtain the Wesley Foundation Property at a reasonable price through negotiation, and such negotiations have not been successful; and

WHEREAS, the administration had the Wesley Foundation Property consisting of one building and approximately .58 acres appraised in May 2014 for \$460,000 and has offered the owner the sum of \$460,000 as well as a temporary location and the option to lease other university property, which has been declined; and

WHEREAS, the Board of Trustees has determined that the acquisition of the Wesley Foundation Property is necessary for the use and benefit of the University of Central Arkansas for the expansion of the Lewis Science Center; and

WHEREAS, pursuant to the provisions of Ark. Code Ann. § 6-62-201, the Board of Trustees of the University of Central Arkansas is granted the authority to condemn property whenever and wherever the acquisition of property is necessary for the use of the institution.

**NOW, THEREFORE BE IT RESOLVED**, by the Board of Trustees of the University of Central Arkansas, that the board, by the adoption of this resolution, hereby:

(a) finds and determines that the acquisition of the Wesley Foundation Property is necessary for the use and benefit of the institution for expansion of the Lewis Science Center;

(b) finds that every reasonable effort has been made to acquire the Wesley Foundation Property through the offering of a reasonable price based on the appraised value and that negotiations have not been successful; and

(c) authorizes the president of the university to proceed with the exercise of the university's right of eminent domain under and pursuant to the provisions of Ark. Code Ann. § 6-62-201 in order to acquire the Wesley Foundation Property to be used for the benefit of the public institution known as the University of Central Arkansas.

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Kay Hinkle, Chair

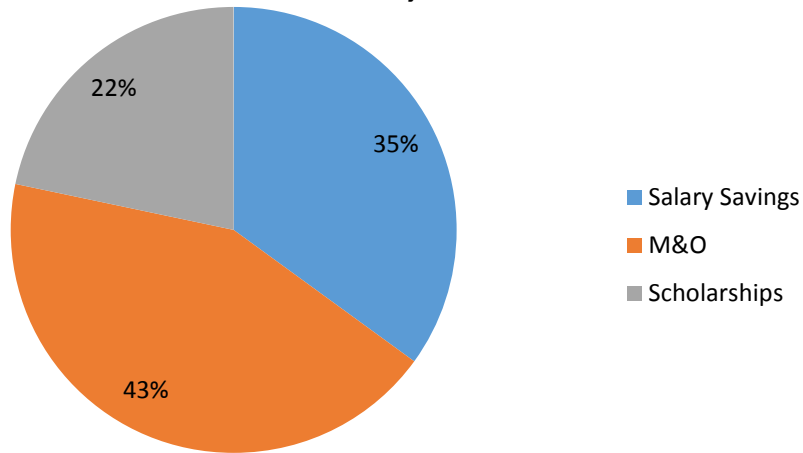
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Shelia Vaught, Secretary

### **REPORTS**

President Courtway reported on the planned transfers as of June 30, 2014. The following is a summary of the transfers:

## Year End Budget Savings-E&G Only June 30, 2014



<b>Planned Transfer Summary</b>		
Receiving Fund	6/30/2013 Transfers	6/30/2014 Proposed
Unall Plant/Plant Proj	4,214,500	2,973,350
Property Acquisition	2,000,000	1,500,000
Cap Carry Over-Deans (\$50,000 each)	300,000	300,000
Cap Carry Over-Provost	100,000	100,000
Cap Carry Over-Academic Affairs	750,000	750,000
Cap Carry Over-Non Acad Div (\$30,000 each)	80,000	150,000
Technology Funds <b>*\$425K transf in a prev. FY14 entry</b>	500,000	184,000
SGA/FS/SS (\$15,000 each group)		45,000
Donaghey Project (Architectural fees)		250,000
Online University (Initial fees)		500,000
Lewis Science Center equipment		1,500,000
Nursing building (architectural fees)		250,000
Capital Projects (attached list)		2,472,650

BOT account (to maintain \$200,000)	55,500	25,000
<b>Total E&amp;G</b>	<b>8,000,000</b>	<b>11,000,000</b>
Total Auxiliary	3,377,152	3,500,000
<b>Total Transfers</b>	<b>11,377,152</b>	<b>14,500,000</b>

vpfa/whiteboard/fy15/final combined divisional capital needs

There being no further business to come before the board, the meeting was adjourned upon motion by Bunny Adcock and second by Bobby Reynolds.

**The University of Central Arkansas  
Board of Trustees**

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**Kay Hinkle, Chair**

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**Shelia Vaught, Secretary**