

The University of Central Arkansas Board of Trustees convened at 10:00 a.m., August 8, 2025, with the following officers and members present:

Dr. Michael Stanton – Chair  
Mr. Jim Rankin, Jr. – Vice Chair  
Mr. Kelley Erstine – Secretary  
Mr. Curtis Barnett  
Ms. Amy Denton  
Dr. Terry Fiddler  
Ms. Kay Hinkle

### **MINUTES**

The board unanimously approved the minutes of the May 29, 2025, board meeting and the July 31, 2025, teleconference meeting, as submitted upon motion by Kelley Erstine and second by Terry Fiddler.

### **REPORTS**

President’s Report – President Davis provided a fall enrollment update and discussed upcoming events related to the beginning of the fall semester.

Financial Report – Terri Canino provided a financial report which is attached to the original minutes.

Strategic Planning Update – Michael Hargis provided an update on the Strategic Planning process. A copy of his report is attached to the original minutes.

### **ACTION AGENDA**

#### **Bond Feasibility Study and Reimbursement Resolution for the Campus District Loop and Hydronics Refresh**

The administration is requesting to proceed with a feasibility study for the issuance of bonds, in an amount not to exceed \$10,520,000, for the Campus District Loop & Hydronics Refresh Project.

The project involves enhancing the overall capacity and efficiency of the Campus District Loop Hydronics systems. It includes building a new chiller plant on the north side of campus and installing new underground district chilled water lines to connect with existing district cooling piping and buildings. These new chillers and connections will allow for the decommissioning of aging, localized chillers and will reduce the campus’s overall energy consumption.

To support the transition to a centralized chilled water distribution model, the university is upgrading campus buildings with chilled water booster pump systems as part of its integration

with five District Cooling Plants: West Plant, South Plant, Library (Central) Plant, future North Plant, and the backup Mashburn Plant. All campus buildings will receive booster pumps controlled by Variable Frequency Drives (VFDs) and differential pressure (DP) sensors to maintain optimized flow from the district loop. Mechanical rooms will be re-piped to connect to the central system, and all building-level chillers and cooling towers will be decommissioned and removed.

Additionally, the university is refreshing its South Plant Central Chiller Facility by increasing cooling capacity through the installation of high-efficiency water-cooled chillers and new cooling towers. The project also involves replacing outdated controls with a new system fully integrated into the campus-wide automation platform to support optimized, automatic operation. Electrical upgrades will support the new equipment and include provisions for a future emergency generator to allow partial plant operation during power outages.

These upgrades are a key component of UCA’s long-term energy and infrastructure strategy—improving system reliability, lowering maintenance requirements, and maximizing energy efficiency campus-wide.

The proceeds of the bonds, if approved by the Arkansas Higher Education Coordinating Board (AHECB) and then by UCA’s Board of Trustees, will be used to fund this project.

### **Education and General (E&G) Debt Repayment**

The Campus District Loop & Hydronics Refresh Project debt service will be repaid from E&G funds. The facility fee will increase annually at an amount necessary to support the additional debt service.

The AHECB’s policy states E&G projects may be financed by obligating a maximum of 25 percent of net student tuition and fee revenue (gross tuition and fees less unrestricted E&G scholarship expenditures) for total debt service.

### **E&G Debt Restrictions**

Actual Net Tuition and Fee Revenue for FY 2023-24	\$	64,662,790
Maximum Allowable Debt Service (25% of Available Revenue)		16,165,698
Existing Maximum E&G Debt Service		7,074,818
Estimated Maximum Projected Debt Service		785,000
Amount Remaining for Additional Debt Service	\$	8,305,880

The above data demonstrates that the university has sufficient revenue to support E&G debt of approximately \$10,520,000 with a term of 20 years. The debt service payment will require the increase in the Facility Fee to supplement revenue to maintain current budget availability.

In accordance with the AHECB's policy, the university will establish and maintain a building maintenance fund to be supported by student tuition and fee revenue. The institution will reserve a minimum of \$2.50 per square foot of the addition, annually, for ongoing maintenance issues. This annual transfer will be based on the estimated square feet of the facility and will be held in Plant Funds' Repair and Replacement Fund.

The administration is requesting that the Board of Trustees grant authority to proceed with a feasibility study for a bond issue to fund the design and construction of the Campus District Loop & Hydronics Refresh Project; including building a new chiller plant on the north side of campus and installing new underground district chilled water lines to connect with existing district cooling piping and buildings; renovating the South Plant Central Chiller Facility by increasing cooling capacity through the installation of high-efficiency water-cooled chillers and new cooling towers; upgrading campus buildings with chilled water booster pump systems as part of its integration with five District Cooling Plants.

The administration is also requesting approval of a resolution that, in part, authorizes the university to use certain bond proceeds to reimburse expenses incurred prior to issuance of bonds.

If the request to issue bonds is approved by the AHECB, another resolution on this topic will be presented to the Board of Trustees at a future meeting.

The board unanimously adopted the following resolution upon motion by Terry Fiddler and second by Kay Hinkle:

**“BE IT RESOLVED: That the Board of Trustees hereby approves the attached resolutions and authorizes the administration to proceed with the planning of the project to include actions necessary in securing architects, engineers and contractors, and authorizes the president of the university, or his designee, to take such other steps and execute such other documents as may be necessary or required to carry out the project and the intent of this resolution.”**

**A RESOLUTION BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF  
CENTRAL ARKANSAS AUTHORIZING ALL STEPS NECESSARY TO ISSUE  
BONDS NOT TO EXCEED THE AGGREGATE PRINCIPAL AMOUNT OF  
\$10,520,000**

**WHEREAS**, the Board of Trustees of the University of Central Arkansas (“University”) must approve all requests for financing; and

**WHEREAS**, the University desires to secure funds in an amount not to exceed \$10,520,000 by the issuance of bonds, with a term not to exceed 20 years and with a projected maximum annual E&G debt service of \$785,000; and

**WHEREAS**, the proceeds from the bonds will be for the purpose of enhancing the overall capacity and efficiency of the Campus District Loop Hydronics systems on the University's campus; and

**WHEREAS**, if approved and issued, the bonds will be serviced in part from student tuition and fees, the same being facility fee revenue from students; and

**WHEREAS**, the Board of Trustees authorizes and recommends the commencement of preparations for securing a bond issue in an aggregate principal amount not to exceed \$10,520,000 for the purposes described above.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES THAT:**

**Section 1.** 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 \$10,520,000 with a term not exceeding 20 years, with terms and conditions satisfactory to the administration, subject to final review and approval by resolution of this Board.

**Section 2.** The Board further authorizes the administration to seek approval from the Arkansas Higher Education Coordinating Board for issuing the bonds.

**Section 3.** The bonds will be secured for the purpose of enhancing the overall capacity and efficiency of the Campus District Loop Hydronics systems.

ADOPTED AND APPROVED August 8, 2025.

**BOARD OF TRUSTEES OF THE UNIVERSITY OF CENTRAL ARKANSAS**

By: \_\_\_\_\_  
Michael Stanton, Chair

ATTEST:

By: \_\_\_\_\_  
Kelley Erstine, Secretary

RESOLUTION OF THE BOARD OF TRUSTEES OF  
THE UNIVERSITY OF CENTRAL ARKANSAS

EXPRESSING THE INTENT OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF CENTRAL ARKANSAS TO ISSUE BONDS AND TO REIMBURSE FROM THE PROCEEDS OF SUCH BONDS CERTAIN COSTS INCURRED FOR THE UNIVERSITY CONSISTING OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF CAMPUS-WIDE UTILITY INFRASTRUCTURE IMPROVEMENTS; DESIGNATING A FINANCIAL ADVISOR, UNDERWRITER, AND BOND COUNSEL TO ASSIST THE BOARD IN THE ISSUANCE OF THE BONDS; AND SETTING FORTH OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Board of Trustees (the "Board") of the University of Central Arkansas (the "University") is authorized under the Constitution and laws of the State of Arkansas, including particularly Act No. 62 of 1947 (codified at Sections 6-62-301 et seq. of the Arkansas Code Annotated) (the "Act") to borrow money for the acquisition, construction, renovation, improvement, equipping, and furnishing of buildings, structures, and other capital improvements which the Board deems proper or suitable for the purposes of the University; and

WHEREAS, the Board has determined and hereby finds and declares that there is a need for the acquisition, construction, and equipping of campus-wide utility infrastructure improvements, including particularly, without limitation, the following: the acquisition, construction, and equipping of a new chiller plant on the north side of campus (the "North Plant"); the installation of new underground district chilled water lines to connect the North Point with existing district cooling piping and buildings; decommissioning aging, localized chillers; installation and upgrades to campus buildings as part of the integration with new and existing district cooling plants; and the construction and equipping of improvements to the South Plant Central Chiller Facility (collectively, the "Project"); and

WHEREAS, it is anticipated that the costs of the Project will be financed with proceeds of revenue bonds in an aggregate principal amount not to exceed \$10,520,000 to be subsequently approved by the Board (the "Bonds") and secured by a portion of the general tuition and fees paid by students attending the University; and

WHEREAS, the Board intends that prior to the issuance of Bonds certain costs relating to the Project will be incurred and paid from certain funds and accounts established and administered by the University; and

WHEREAS, the Board wishes to express its current intent to reimburse certain funds and accounts for all expenditures related to the Project from the proceeds of the Bonds and desires that, with respect to the Bonds, such reimbursement comply with Treasury Regulation Section 1.150-2 (the "Regulation") so that proceeds of the Bonds will be deemed spent when such reimbursement is made; and

WHEREAS, the Board intends to issue the Bonds pursuant to a definitive resolution or resolutions to be subsequently adopted for such purpose or purposes;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the University of Central Arkansas:

Section 1. The Board currently contemplates that the Project will include the capital improvements described above.

Section 2. The Board intends to issue the Bonds, in an aggregate principal amount not to exceed \$10,520,000, for the purposes of financing the costs of the Project, funding capitalized interest (if necessary or desirable), and paying costs of issuing the Bonds. The Bonds will not be issued until the final terms or parameters of the proposed issuance have been presented to and approved by the Board.

Section 3. Costs incurred in accomplishing the Project prior to the issuance of the Bonds will be paid from certain funds and accounts established and administered by the University. The Board intends to use certain proceeds from the issuance of the Bonds to reimburse such accounts. This Resolution shall constitute an "official intent" for purposes of the Regulation.

Section 4. The President of the University and other appropriate officials are hereby authorized to present such information as they deem appropriate to the Arkansas Higher Education Coordinating Board for its advice with respect to the economic feasibility of the Project.

Section 5. The Board hereby designates Carty, Harding & Hearn, Inc. as underwriter for the Bonds, Friday, Eldredge & Clark, LLP as bond counsel for the Bonds, and Stephens Inc. as financial advisor for the Bonds.

Section 6. The provisions of this Resolution are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Resolution.

Section 7. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED: August 8, 2025.

ATTEST:

By \_\_\_\_\_  
Michael Stanton, Chair

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Kelley Erstine, Secretary

(SEAL)

## **NOTIFICATIONS/DELETIONS**

### **Deletion: Clinical Exercise Science Concentration from the BS in Exercise Science**

The Clinical Exercise Science concentration is being deleted from the BS in Exercise Science because of a lack of student demand. Also, recent changes to the standard Exercise Science curriculum no longer necessitate a separate concentration to gain clinical skills. No students remain in the concentration.

### **Deletion: Pre-Athletic Training Concentration from the BS in Exercise Science**

Recent changes to the standard Exercise Science curriculum no longer necessitate a separate concentration as all students in the degree program can now complete prerequisite work for admission to the MS in Athletic Training. The Department of Exercise and Sport Science also offers a 3+2 program in which students can complete graduate courses towards both the BS in Exercise Science and the MS in Athletic Training. Current students in the concentration will be able to matriculate without any issues or can opt for the new curriculum.

## **EXECUTIVE SESSION**

The board unanimously declared an executive session to consider employment, appointments, promotions, demotions, disciplining and resignations of employees, upon motion by Curtis Barnett and second by Jim Rankin, Jr.

## **OPEN SESSION**

No action was taken during Executive Session.

## **ADJOURNMENT**

There being no further business to come before the board, the meeting was adjourned upon motion by Jim Rankin, Jr. and second by Kelley Erstine.

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**Michael Stanton**  
**Chair**

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**Kelley Erstine**  
**Secretary**