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Harold M. Stokes
Roland M. Toups
Joseph C. Wiley
Demetrius Sumner, Student
Member

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FACILITIES AND PROPERTY COMMITTEE
August 25, 2010

The Facilities and Property Committee met on Wednesday, August 25, 2010 at 9:20 a.m. in the Louisiana Purchase Room of the Claiborne Building, 1201 North Third Street, Baton Rouge, Louisiana. Chair W. Clinton Rasberry, Jr. called the meeting to order. The roll was called and a quorum was established.

COMMITTEE MEMBERS PRESENT

W. Clinton Rasberry, Jr. Chair
Victor T. Stelly, Vice Chair
Richard A. D'Aquin
Maurice C. Durbin
Robert W. Levy
Roland M. Toups
Joseph C. Wiley
Walter Guidry
Winfred Sibille
Stevie Smith

COMMITTEE MEMBERS ABSENT

Demetrius Sumner
LSU Representative

OTHER BOARD MEMBERS PRESENT

Charlotte A. Bollinger
Scott O. Brame
Donna G. Klein
Ingrid T. Labat
Mary Ellen Roy
Harold M. Stokes

STAFF MEMBERS PRESENT

Rich Griswold

GUESTS PRESENT

Appendix A

SMALL CAPITAL PROJECTS REPORT

Mr. Rich Griswold, Associate Commissioner for Facilities, reported that staff had approved the following small capital projects costing less than \$500,000 since the last report:

West Laville Tile Roof Replacement - Louisiana State University and A&M College
\$425,000 from auxiliary funds.

South Campus Building 3005 Renovations for Business Emergency Operations Center
- Louisiana State University and A&M College
Re-approved from \$225,000 to \$400,000 from grant cost recovery and private donations.

Abatement of Sabine and Bossier Halls - Northwestern State University
\$260,000 from auxiliary funds.

After discussion:

On motion of Regent Toups, seconded by Regent D'Aquin, the Facilities and Property Committee unanimously recommends that the Board of Regents approve the Small Capital Projects Report as presented by staff.

PROJECTS UTILIZING ALTERNATIVE MEANS OF FINANCING

The University of Louisiana System requested consideration of a project to renovate and add to the existing Student Union facility at the University of Louisiana at Lafayette. Staff indicated that the project would involve the demolition of four existing buildings to make way for improvements, renovate 55,000 GSF of existing space, and construct 125,000 GSF of new space. The project, which is expected to cost approximately \$46,574,000, will be paid for from student self-assessed fees levied in 2002 and 2005. The project follows the traditional model of lease/leaseback utilizing the Ragin' Cajun Facilities, Inc., a 501(c)(3) corporation.

University of Louisiana staff members Bill Crist and Jerry Luke LeBlanc and University of Louisiana System Vice President for Finance Nick Bruno provided additional information on the

project. Regent Levy initiated a discussion as to the propriety of building any new space, given the dire economic times we face. He expressed that projects that in normal times would be entirely justified may carry the perception that postsecondary education is not being sufficiently conservative now. Staff had asked that same question in its review of the project, and a letter from ULL President Joseph Savoie was provided in response. In addressing Regent Levy and other board members' concerns, the campus and system representatives pointed out that needs persist, and institutions must continue to provide for students even in difficult circumstances, that the students have demonstrated overwhelming support for the project and are willing to pay for it, that bond rates and construction prices are the lowest in years, and that in designing this facility, the design professional will be directed to be very space and cost conscious, as suggested by Regent Bollinger. The sale of bonds will be limited to \$27,000,000, and funding accumulated to date from the self-assessed student fees of \$13,200,000 and additional funds that will accrue during the progress of the project amounting to approximately \$6,000,000 will provide the total needed. The food service provider will provide \$5,000,000 for their area of the project.

After discussion:

On motion of Regent D'Aquin, seconded by Supervisor Sibille, the Facilities and Property Committee unanimously recommends that the Board of Regents approve the project for the Renovation of and Addition to the Student Union facility at the University of Louisiana at Lafayette utilizing alternative means of financing. The project will renovate 55,000 GSF of existing space and construct 125,000 GSF of new space along with relevant demolitions of four existing building. The project is estimated to cost approximately \$46,574,000 and will utilize funding from two self-assessed student fees levied in 2002 and 2005 for this specific project as well as funding from vendors to be housed in the facility.

ADJOURNMENT

There being no further business, the Facilities and Property Committee was adjourned at
9:55 a.m.

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