

MINUTES
OF THE BOARD OF REGENTS
WESTERN KENTUCKY UNIVERSITY

May 6, 2001

AGENDA ITEM 1 - Call to Order

Required statutory notice having been given, a special meeting of the Board of Regents of Western Kentucky University was held in the President's Home, 1700 Chestnut Street, Bowling Green, Kentucky. The meeting was called to order by Chair Bale at approximately 11 a.m., CDT. Ms. Bale noted the meeting was for the *"purpose of approving and endorsing the "Resolutions" pertaining to the transfer of E. A. Diddle Arena and all other athletic-related facilities and properties."*

AGENDA ITEM 2 - Roll Call

Mr. Howard E. Bailey
Ms. Kristen T. Bale
Mr. Robert Earl Fischer
Ms. Lois W. Gray
Ms. Peggy W. Loafman
Ms. Cassie F. Martin
Mr. Cornelius A. Martin
Professor Mary Ellen Miller
Ms. Beverly H. Wathen

Mr. Ronald G. Sheffer and Mr. James B. Tennill, Jr. were absent

Others in attendance included President Ransdell; Ms. Esters, Secretary to the Board, Dr. Barbara Burch, Provost and Vice President for Academic Affairs; Mr. Fred Hensley, Chief Public Affairs Officer; Dr. Richard Kirchmeyer, Vice President for Information Technology; Dr. Gene Tice, Vice President for Student Affairs and Campus Services; and Dr. Wood Selig, Athletics Director.

AGENDA ITEM 3 - Transfer of E. A. Diddle Arena and all other athletic-related facilities and properties.

RECOMMENDATION: The President recommends that pursuant to KRS 164A.575(7), the Board of Regents approves and endorses the attached "Resolutions" pertaining to the transfer of E. A. Diddle Arena and all other athletic-related facilities and properties.

Background: See "Resolutions."

**WESTERN KENTUCKY UNIVERSITY
BOARD OF REGENTS
RESOLUTIONS**

WHEREAS, Western Kentucky University's ("WKU") E. A. Diddle Arena and all related properties are in need of major improvements, renovations and repairs, including deferred maintenance, the cost of which cannot be funded through the existing financial structure of WKU; and

WHEREAS, WKU does not currently possess, nor does it anticipate obtaining, bonding capacity necessary to undertake the needed improvements, repairs, and renovations of E. A. Diddle Arena and all related properties (collectively, the "Improvements"); and

WHEREAS, the proposed improvements are estimated to cost approximately \$26,500,000, exclusive of financing costs and other soft costs such as construction period interest, etc.; and

WHEREAS, a feasibility study has been performed showing the financial viability of the proposed renovation of E. A. Diddle Arena; and

WHEREAS, the City of Bowling Green ("City") has indicated on a preliminary basis its willingness to: (I) accept title by deed of gift to E.A. Diddle Arena and all related properties, (ii) issue general obligation bonds in an amount not to exceed \$32,000,000 to finance the improvements, which includes the construction costs of \$26,500,000, as well as all capitalized interest fees and costs of issuance, (iii) enter into a management agreement by which WKU will manage and operate E.A. Diddle Arena and all related properties in substantially the same manner that it currently operates those facilities; and

WHEREAS, Dr. Gary Ransdell, the President of Western Kentucky University, has submitted a written request describing the properties to be conveyed and why this proposed transaction would be to the benefit of WKU; and

NOW THEREFORE, IT IS HEREBY RESOLVED AND ORDERED, that the Board of Regents of Western Kentucky University hereby determines that E. A. Diddle Arena and all related properties, after a transfer to the City will continue to be suitable for public use consistent with the public interest and will continue to be used for the same present uses, including continued use by **WKU** students, faculty and staff, as well as the general public; and it is further

RESOLVED AND ORDERED, in order to facilitate the improvements of E. A. Diddle Arena and all related properties as set forth above, the Board of Regents of WKU does hereby authorize and ~~approve~~ *the President to negotiate*: (a) the conveyance by gift of E.A. Diddle Arena and all related properties and all improvements located thereon to the City and in consideration for the improvements to be made by the City to the property as proposed and outlined above; and (b) the granting of those easements and rights-of-way necessary to carry out the intent and scope of the Improvements and the subsequent operation of E. A. Diddle Arena and all related properties; and it is further

RESOLVED AND ORDERED, that the transactions authorized by this resolution shall be subject to: (1) all necessary actions by the City to authorize and effect (I) the valid acceptance of title to E. A. Diddle Arena and all related properties, (ii) the issuance of general obligation bonds to finance the improvements to E. A. Diddle Arena and all related properties in accordance with the proposed plans, and the management and operation by WKU of E. A. Diddle

Arena and all related properties pursuant to a management agreement between the City and WKU; (2) the approval and adoption by the Board of Regents of a management agreement by and between WKU and the City for the management and operation by WKU of E. A. Diddle Arena and all related properties for the use and benefit of the students, faculty, and staff of WKU, as well as for the use and benefit of the City; and it is further

RESOLVED AND ORDERED, that WKU shall enter into a management agreement with the City, together with any and all other agreements necessary to implement the improvements, acceptable to the President of WKU in his sole and absolute discretion; and it is further

RESOLVED AND ORDERED, that the Board of Regents hereby authorizes and empowers the President of WKU, to take any and all actions necessary to implement this resolution and the transactions authorized hereby for and on behalf of Western Kentucky University, including, but not limited to, the authority for and on behalf of WKU to ***execute bring forth for final approval by the Board of Regents*** all documents including deeds, easements, and instruments creating rights-of-way.

This the 6th day of May, 2001.

Kristen Bale
Chair, Board of Regents

Attest:

Elizabeth Esters
Secretary, Board of Regents

MOTION: Mr. Fischer moved the Board of Regents approve and endorse the “Resolutions” pertaining to the transfer of E. A. Diddle Arena and all other athletic-related facilities and properties. The motion was seconded by Ms. Gray.

In a discussion that followed, concern was expressed by members of the Board pertaining to the necessity to include athletic properties other than Diddle in the project.

Suggested amendments to the resolutions as noted with strikeouts and bolded italicized wording were offered by members of the Board.

Mr. Fischer and Ms. Gray amended the motion on the table to the read:

“That the Board of Regents approve and endorse the “Resolutions” ***as amended*** pertaining to the transfer of E. A. Diddle Arena and all other athletic-related facilities and properties.

Following a call for the question by Chair Bale, the motion carried with Professor Miller voting nay.

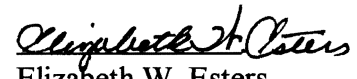
President Ransdell assured the Board he would bring a final recommendation back

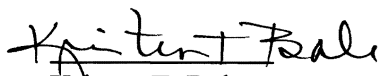
to the Board for approval.


Motion to adjourn was made by Ms. Martin, seconded by Ms. Loafman. The meeting adjourned at 12 noon.

CERTIFICATION OF SECRETARY

I hereby certify that the minutes herein above set forth an accurate record of votes and actions taken by the Board of Regents of Western Kentucky University in the special meeting held May 6, 2001, at the President's Home, 1700 Chestnut Street, Bowling Green, KY, and further certify that the meeting was held in compliance with KRS 61.810, 61.815, 61.820, and 61.825 (enacted as Sections 2, 3, 4 and 5 of House Bill 100, 1974 Regular Session, General Assembly).


Elizabeth W. Esters
Secretary


Kristen T. Bale
Chair
August 17, 2001


Elizabeth W. Esters
Secretary
August 17, 2001