Richard Moore called the meeting to order at 9:22 a.m. The minutes were approved as submitted.

**ACTION ITEMS**

**2007 Master Plan Update (BAC-1)**

Greg Havens of Sasaki provided a brief summary of the Master Plan update. He referenced the April 19, 2007 Board meeting that included a more thorough presentation which has been available on the web since that time. Mr. Havens highlighted the expanded campus borders, south of campus, along Spring Garden Street, west of Aycock Street, and the land between the Becher-Weaver building and Oakland Avenue warehouse, both already owned by UNCG.

He also quickly reviewed the different campus “districts”, including potential locations for a new Child Care Facility, Classroom and Office Building II, Public Safety and Police Building, Administration/Student Services Building, Moore Building Expansion, West Chiller Plant, and the Baseball Clubhouse.

Along the south side of Spring Garden Street between Forest and Kenilworth Streets, he pointed out the option to place new building closer to the sidewalk if retail were incorporated.

Currently we have 85 square feet per FTE but according to standards should have 95 square feet per FTE, which translates to 1.8 million feet of assignable space. This can be accommodated on our campus, but we would need to go off-campus for items such as recreation.
fields and parking. Discussions are on-going with several owners of various parcels we are interested in purchasing.

Richard Moore asked that we keep in mind for future development the frontage on Lee Street, which currently is only scheduled for overflow parking. To contribute toward the redevelopment of the city we need to consider commercial space for this area. Mike Byers reported that he is on the Lee Street/High Point Road Committee and they are integrating our master plan with theirs. The width of the property on Lee Street, due to the railroad tracks, is too narrow for both commercial space and parking.

Linda Carlisle asked if our projections for growth were high enough in that we have already grown at an exponential rate and surpassed the population we had planned for earlier by years. Dave Lumpkin advised that the figures used in the Board of Trustee presentation were FTE, not headcount, which would make a difference. Reade Taylor also pointed out that a greater challenge with excess capacity is the need for appropriations for buildings from the Legislature. Distance Education is also being geared up to handle overflow.

Sustainability was incorporated into the plan through green space, integrated transportation and an east/west orientation of buildings for effective solar consideration. The use of parks and green space on our urban campus is a model for the country and Sasaki uses the campus as an example when they make presentations.

Steve Hassenfelt asked about the funds for purchasing property. Mr. Taylor reported that we currently have funds as part of the last bond issuance that must be used within the next 18 months. We will keep the Board current on the negotiations for the various properties. He advised the Board that Linda Carlisle has been instrumental in discussions for the large tract of property at Becher Weaver, and the owner has been advised of the time constraints.

Richard Moore moved to accept the report. Randall Kaplan seconded the motion, and it was unanimously approved for recommendation to the full Board.

INFORMATION ITEMS

Introduction to Variable Rate Debt Financing (BAC-2)

Marcus Smith and Stephen Anderson of A. G. Edwards, our bond financial advisor, gave a short presentation on the benefits of having a portion of our outstanding debt ($110 million including bonds for the Spring Garden Apartments) as variable rate holdings in order to reduce the cost of borrowing. Our current rating from Moody’s and Standard and Poor’s is A1/A+. Reade Taylor advised that the repayment for the departments, such as housing, would be scheduled at a fixed rate and any excess would be placed in a reserve to cover payments should the rate increase. Towards the final maturity of the bonds, any reserve funds would be released to the source of repayment (for example, housing).

Steve Hassenfelt asked that AG Edwards look at the trend of variable rate prior to 1990 in order to get a feel of what the advantages would be in a high interest rate environment. Mr.
Smith will look into what data they can obtain. Randall Kaplan pointed out that we were not looking at converting our entire portfolio, just a small portion in order to reduce our borrowing costs.

**Report on Architects/Designers Appointed by Chancellor (BAC-3)**

We have commissioned the firm of S&ME to instigate a campus-wide survey to sample the visible building materials and test them for the presence of asbestos. The results will be available in a web-based, updateable database to be used for planning and maintenance operations.

The cost of this project is under the $500,000 cap for Chancellor approval and did not require an RFP to be issued, but we did so in order to help staff understand various aspects of the project.

**Annual Report of Property Purchased and/or Leased Since September 1, 2006 (BAC-4)**

Mike Byers reported that in the past year no properties were purchased by UNCG. There were four leases that were renewed:

- **Division of Continual Learning** at 1111 W. Friendly Avenue for 1.757.03 square feet at $15.73 per square foot for a total of $27,638.08.
- **Dr. Raleigh Bailey of the Social Work Department** at 413 S. Edgeworth Street for 2,500 square feet at $10.00 per square foot for a total of $25,000.
- **School of Education at 948 Walker Avenue** for 2,474.76 square feet at $16.87 per square foot for a total of $43,001.80.
- **SERVE at 3329 Chapel Hill Boulevard, Durham, NC** for 2,806 square feet at $13.75 per square foot for a total of $38,582.50.

**Intercollegiate Athletics Sources and Uses of Funding (BAC-5)**

Nelson Bobb gave a presentation on the sources and uses of athletic funds in response to a request from Richard Moore. The majority of Intercollegiate Athletics funds come from student fees. In 1986, 97% of the funds came from student fees. Over the years, we have developed other sources of income. For the 2007-08 year, it is projected that 87% of the funds will come from student fees. Other sources include the NCAA, sponsorships, E-commerce of Spartan labeled items and endowment income. There are currently 27 endowments in Athletics, and 5 are being created. We are now 3rd in attendance average in the Southern Conference. Our walk-up crowd outnumbers our season ticket holders. UNCG Athletics fees are 11th in the UNC system. Mr. Moore read his original memorandum to the board.

We are in our 14th year of co-sponsoring “Gifts for Kids” with Fox 8 and have lent our facilities to Dudley during their construction and Eastern Guilford while they were displaced. Our attendance has increased at all sports. The capacity at Fleming Gym is 2,200. The cost for using the Coliseum for sports is $10,000 per event, and we do not see income from the concessions. At our size, we cannot generate the fans to offset this cost. Patrons also must pay
for Coliseum parking, whereas at UNCG this is complementary for evening or weekend athletic events.

With no further business, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

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Donna Honeycutt