

AGENDA
ARKANSAS STATE UNIVERSITY
BOARD OF TRUSTEES
Friday, April 10, 2015
10:30 a.m.
Teleconference

I. Call to Order
Charles Luter, Chair

*II. Agenda

- Proposed ASU-Jonesboro Resolution
 - Resolution approving ASU-Jonesboro to enter into a lease agreement with the NEA Sports Club

III. Other Business

*IV. Adjournment

*Action Items

Arkansas State University
Board of Trustees
April 10, 2015

The Arkansas State University Board of Trustees met via conference call on Friday, April 10, 2015. The call originated from the conference room of the Arkansas State University-Jonesboro Chancellor's Office. Charles Luter, Chair of the Board of Trustees, called the meeting to order at 10:35 a.m. A roll call of the board confirmed that Mr. Luter, Ron Rhodes, Howard Slinkard, Tim Langford, and Niel Crowson were present by telephone.

ASU-Jonesboro Resolution:

- Resolution 15-15 approving ASU-Jonesboro to enter into a lease agreement with the NEA Sports Club.

Dr. Charles Welch provided the following background:

The university is requesting to enter into a lease agreement with the nonprofit organization, NEA Sports Club, which would facilitate the limited dispensing of alcoholic beverages in designated areas on campus. This lease agreement is required as part of NEA Sports Club's large events facility permit application that they would like to file with the Arkansas Alcoholic Beverage Control Board. This action is an attempt to be responsive to requests from our patrons who attend special events, while, at the same time, trying to be as cautious and responsible as possible. If NEA Sports Club is successful in its application process, then an additional agreement will be executed regarding the operations of the club at our facilities. Our policy will likely be more restrictive than most, with alcohol to be dispensed only in specific limited access areas of the campus, including Centennial Bank Stadium and Tomlinson Stadium, for designated concerts and special events, excluding ASU athletics events. This proposal is consistent with alcohol policies at other universities in Arkansas, as well as with members of the Sun Belt Conference. Additional security will be required to be present where alcohol is served, and all of the servers and managers will complete appropriate training to comply with ABC Regulations and to protect the safety and enjoyment of the patrons. Alcohol would be dispensed only by NEA Sports Club, to its members, and not by the university. The guidelines of this policy have been very carefully laid out, so that

NEA Sports Club would contract with Sodexo, our existing food service provider. So at this point, the university is requesting approval of the lease agreement from the board of trustees.

Mr. Rhodes asked the term of the lease. Dr. Welch answered that the term of the lease is ten years, but ASU-Jonesboro would have the right to terminate the agreement upon ninety days written notice with or without cause. Mr. Rhodes asked if there have been any conversations with local law enforcement, or with the local authorities. Dr. Welch replied that representatives have made contact and actually visited in person with the Craighead County Sheriff, the Jonesboro Chief of Police, as well as the prosecuting attorney for that district to make them aware, and discussions have been positive.

Mr. Slinkard asked if more materials will be forthcoming with regard to the alcohol policy. Dr. Welch answered that more information will be available if the nonprofit is successful in getting its application approved. When that occurs, a much more specific policy will be available with regard to the operations. Mr. Slinkard asked if the third-party management involved in this, Sodexo, would be comfortable with the terms of that agreement and whether it would dovetail with our current contract, so that if problems arise, we wouldn't have to wait ninety days to fix them. Dr. Welch stated that he anticipated that would be the case. He recalled the University of Arkansas entered into a similar agreement a year or so ago and used their existing food service provider. Sodexo has been contacted, they have been made aware, and they do this on a number of other campuses around the country. Dr. Welch assured the trustees that we will make sure that those dovetail together.

Upon a motion by Mr. Slinkard, seconded by Mr. Rhodes, Resolution 15-15 was approved.

AYES: Luter, Slinkard, Rhodes, Langford, Crowson


NAYS: None

Adjournment

Upon a motion by Mr. Rhodes, seconded by Mr. Slinkard, the meeting adjourned at 10:55 a.m.

AYES: Luter, Slinkard, Rhodes, Langford, Crowson

NAYS: None



Ron Rhodes, Secretary



Charles Luter, Chair

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: Arkansas State University-Jonesboro (ASUJ) requests approval to enter into a lease agreement with the NEA Sports Club.

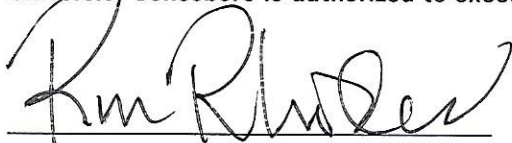
ISSUE: The Board of Trustees approves lease agreements.

BACKGROUND:

- Arkansas law allows an institution of higher education to enter into lease agreements.
- NEA Sports Club plans to apply for an alcohol permit through the Alcoholic Beverage Control Administration. NEA Sports Club desires to enter into a leasing arrangement with ASUJ to allow NEA Sports Club to dispense alcoholic beverages in the club and suite level areas at Centennial Bank Stadium and other designated ASUJ campus locations.
- The lease term will begin on the effective date and will last for 10 years.
- This agreement will create new revenue opportunities for ASUJ and the Jonesboro area.

RECOMMENDATION/RESOLUTION:

Be it resolved that Arkansas State University-Jonesboro is approved to enter into a lease agreement with the NEA Sports Club, and that the vice chancellor for Finance and Administration of Arkansas State University-Jonesboro is authorized to execute documents to effect this agreement.



Ron Rhodes, Secretary



Charles Luter, Chair