



Board of Trustees Meeting

Arkansas State University System

Thursday, September 19, 2024, at 10:00 a.m.

By Zoom

Agenda

I. Call to Order

II. Agenda

A. Proposed ASU System Resolutions

- 1. Resolution #24-47 approving the ASU System to proceed with the Equipment to Be Utilized for the Center for Advanced Materials and Steel Manufacturing Capital Project at A-State**
- 2. Resolution #24-48 approving the ASU System to proceed with the Northpark Plaza Renovation Capital Project at A-State**
- 3. Resolution #24-49 approving the ASU System to proceed with the College of Veterinary Medicine Capital Project at A-State**
- 4. Resolution #24-50 approving the ASU System to begin the process of issuing student fee revenue bonds, in order to finance capital improvements on the campus of Arkansas State University**

III. Other Business

IV. Adjournment

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: The Arkansas State University System (System) requests approval to proceed with the Equipment to Be Utilized for the Center for Advanced Materials and Steel Manufacturing Capital Project at Arkansas State University (A-State).

ISSUE: The Board of Trustees must approve all capital projects.

BACKGROUND:

- The System is requesting approval to purchase equipment to be utilized in the creation of the Center for Advanced Materials and Steel Manufacturing at A-State. The purchase of this equipment will enable the University to support future initiatives in advanced materials and steel manufacturing.
- The capital project, which is estimated to total \$10,000,000, will be funded entirely through federal grant funds.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University System is approved to proceed with the Equipment to Be Utilized for the Center for Advanced Materials and Steel Manufacturing Capital Project at Arkansas State University.

Robert G. Rudolph Jr., Secretary

Christy Clark, Chair

ASU System

Capital Project Proposal Form

In accordance with Board policy, the term "capital project" means a new construction, renovation, or remodeling project with a projected cost exceeding \$1,000,000. Campus officials shall complete a Capital Project proposal form and submit it to the President for review and recommendations. The President will submit Capital Project proposals to the Board of Trustees for approval. Forms should be submitted electronically to the System Vice President for Finance.

Institution	Arkansas State University-Jonesboro	Date	9/6/24
Project Name	Equipment to be utilized for Center for Advanced Materials and Steel Manufacturing		

Project Description (in detail)

Equipment to be utilized in the creation of the Center for Advanced Materials and Steel Manufacturing at Arkansas State University.

Estimated Date of Commencement	10/01/24
Estimated Date of Completion	12/31/25
Total Project Cost Estimate	\$ 10,000,000

Please provide the detail of cost estimate below:

	Estimated Project Cost
Construction (include cost of built-in equipment)	\$ -
Architect/Engineer Fees	0
Contingencies (not to exceed 10% of Construction and A&E)	-
Land Purchases	-
Movable Equipment and Furniture	10,000,000
Total Cost of Project	\$ 10,000,000

Please provide details of planned sources of funding:

	Amount	Percentage
General Improvement	\$ -	0.0%
Institutional Reserves	-	0.0%
Institutional Operating Funds	-	0.0%
Federal Grant Funds	10,000,000.00	100.0%
Special Revenue Funds	-	0.0%
Foundation or Other Private Monies	-	0.0%
Loan Proceeds (if approved)	-	0.0%
Total Proposed Funding	\$ 10,000,000	100.0%

Notes

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: The Arkansas State University System (System) requests approval to proceed with the Northpark Plaza Renovation Capital Project at Arkansas State University (A-State).

ISSUE: The Board of Trustees must approve all capital projects.

BACKGROUND:

- The System is requesting approval to begin renovation of the Northpark Plaza at A-State. The University has received funding for the capital project from a \$4,762,029 federal grant through the Arkansas Department of Human Services. The remodeling of Northpark Plaza will allow A-State to provide services related to this grant.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University System is approved to proceed with the Northpark Plaza Renovation Capital Project at Arkansas State University.

Robert G. Rudolph Jr., Secretary

Christy Clark, Chair

ASU System

Capital Project Proposal Form

In accordance with Board policy, the term "capital project" means a new construction, renovation, or remodeling project with a projected cost exceeding \$1,000,000. Campus officials shall complete a Capital Project proposal form and submit it to the President for review and recommendations. The President will submit Capital Project proposals to the Board of Trustees for approval. Forms should be submitted electronically to the System Vice President for Finance.

Institution	Arkansas State University-Jonesboro	Date	9/6/24
Project Name	Northpark Plaza Renovation		

Project Description (in detail)

Renovation of Northpark Plaza for the Arkansas Department of Human Services Grant.

Estimated Date of Commencement	10/01/24
Estimated Date of Completion	05/31/25
Total Project Cost Estimate	\$ 4,762,029

Please provide the detail of cost estimate below:

	Estimated Project Cost
Construction (include cost of built-in equipment)	\$ 4,150,000
Architect/Engineer Fees	285,000
Contingencies (not to exceed 10% of Construction and A&E)	200,000.00
Land Purchases	-
Movable Equipment and Furniture	127,029
Total Cost of Project	\$ 4,762,029

Please provide details of planned sources of funding:

	Amount	Percentage
General Improvement	\$ -	0.0%
Institutional Reserves	-	0.0%
Institutional Operating Funds	-	0.0%
Federal Grant Funds	4,762,029.00	100.0%
Special Revenue Funds	0	0.0%
Foundation or Other Private Monies	-	0.0%
Loan Proceeds (if approved)	-	0.0%
Total Proposed Funding	\$ 4,762,029	100.0%

Notes

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: The Arkansas State University System (System) requests approval to proceed with the College of Veterinary Medicine Capital Project at Arkansas State University (A-State).

ISSUE: The Board of Trustees must approve all capital projects.

BACKGROUND:

- The System is requesting approval to proceed with the design and construction of the building that will house the College of Veterinary Medicine at A-State.
- The capital project, which is estimated to total \$33,230,293, will be funded through the issuance of taxable bonds totaling \$30,000,000 and institutional reserves of \$3,230,293.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Arkansas State University System is approved to proceed with the College of Veterinary Medicine Capital Project at Arkansas State University.

Robert G. Rudolph Jr., Secretary

Christy Clark, Chair

ASU System

Capital Project Proposal Form

In accordance with Board policy, the term "capital project" means a new construction, renovation, or remodeling project with a projected cost exceeding \$1,000,000. Campus officials shall complete a Capital Project proposal form and submit it to the President for review and recommendations. The President will submit Capital Project proposals to the Board of Trustees for approval. Forms should be submitted electronically to the System Vice President for Finance.

Institution	Arkansas State University-Jonesboro	Date	9/12/24
Project Name	College of Veterinary Medicine		

Project Description (in detail)

Design and construction of the College of Veterinary Medicine building.

Estimated Date of Commencement	10/01/24
Estimated Date of Completion	06/30/26
Total Project Cost Estimate	\$ 33,850,896

Please provide the detail of cost estimate below:

	Estimated Project Cost
Construction (include cost of built-in equipment)	\$ 27,335,000
Architect/Engineer Fees	2,319,800
Contingencies (not to exceed 10% of Construction and A&E)	1,367,400
Land Purchases	-
Movable Equipment and Furniture	2,208,093
Total Cost of Project	\$ 33,230,293

Please provide details of planned sources of funding:

	Amount	Percentage
General Improvement	\$ -	0.0%
Institutional Reserves	3,230,293	9.7%
Institutional Operating Funds	-	0.0%
Federal Grant Funds	-	0.0%
Special Revenue Funds	-	0.0%
Foundation or Other Private Monies	-	0.0%
Bond Proceeds (if approved)	30,000,000	90.3%
Total Proposed Funding	\$ 33,230,293	100.0%

Notes

Bond proceeds from issuance of \$30 million 30-year taxable bonds.

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

ACTION ITEM: The Arkansas State University System (ASU System) requests approval to begin the process of issuing student fee revenue bonds, in order to finance capital improvements on the campus of Arkansas State University (ASU-Jonesboro).

ISSUE: The Board of Trustees of the ASU System (the Board) is authorized, under the Constitution and laws of the State of Arkansas, including particularly Act No. 62 of 1947, as amended (codified at Ark. Code Ann. §§ 6-62-301, *et seq.*), to borrow money for the purpose of financing capital improvements.

BACKGROUND:

- The ASU System has identified the need to finance capital improvements on the campus of ASU-Jonesboro, including particularly, without limitation, the acquisition, construction, furnishing, and equipping of facilities for the College of Veterinary Medicine (the Project).
- The Board has determined that all, or a portion, of the costs of the Project should be financed through the issuance of the Board's Student Fee Revenue Bonds (Jonesboro Campus) (the Bonds).
- The ASU System will obtain, pursuant to Ark. Code Ann. §§ 6-62-306, *et seq.*, the advice of the Arkansas Higher Education Coordinating Board as to the economic feasibility of the Project.
- The aggregate principal amount of the Bonds will be approximately \$30,000,000; the term of the Bonds is not expected to exceed thirty (30) years; the anticipated average interest rate on the Bonds will be 5.50%; and the average annual debt service on the Bonds will be approximately \$2,035,621.

RECOMMENDATION/RESOLUTION:

Be it resolved that the Chair and the Secretary of the Board; the President, the Executive Vice President and CFO; and the Vice Chancellor for Finance and Administration of ASU-Jonesboro are hereby authorized to do the following: (a) to present such information as they deem appropriate to the Arkansas Higher Education Coordinating Board to obtain its advice as to the economic feasibility of the Project, and (b) to otherwise begin the process of issuing the Bonds.

EXECUTIVE SUMMARY

Contact: Jeff Hankins (501) 660-1004

An authorizing bond resolution shall be considered and adopted by the Board at a subsequent meeting. The Board recognizes that the terms of the sale of the Bonds may be different from the estimates shown above.

Robert G. Rudolph Jr., Secretary

Christy Clark, Chair