

**Minutes
Executive Committee
Alumni Room
July 8, 2002**

Board of Trustees Chair Collier Merrill called the meeting to order at 11:15 a.m. Members present were Trustees Lornetta Epps, Collier Merrill and Eddie Phillips and President Morris Marx.

Because the committee members attended the Finance, Administration and Audit Committee meeting, which immediately preceded its meeting and included discussion on the items before the committee, Chair Merrill simply called for votes. There was no discussion on any item.

Trustee Epps moved and President Marx seconded adoption of the 2002-03 legislative budget request for local initiatives. It passed unanimously.

President Marx moved and Trustee Epps seconded adoption of the following resolution to issue the housing system revenue note and amend the existing sublease agreement for construction and operation of the new facility. It passed unanimously.

Resolution 2002-7

RESOLUTION

A RESOLUTION OF THE UNIVERSITY OF WEST FLORIDA BOARD OF TRUSTEES APPROVING THE FINANCING OF THE COST OF THE CONSTRUCTION OF A NEW 200 BED STUDENT RESIDENCE FACILITY ON THE CAMPUS OF THE UNIVERSITY OF WEST FLORIDA BY THE UNIVERSITY OF WEST FLORIDA FOUNDATION, INC., A UNIVERSITY DIRECT SUPPORT ORGANIZATION; APPROVING THE ISSUANCE BY THE FOUNDATION OF ITS HOUSING SYSTEM REVENUE NOTE, SERIES 2002, IN AN AMOUNT NOT EXCEEDING \$7,500,000 TO FINANCE THE PROJECT; APPROVING A SECOND AMENDMENT TO SUBLEASE AGREEMENT IN CONNECTION WITH THE PROJECT AND THE ASSIGNMENT THEREOF; AUTHORIZING THE PRESIDENT AND STAFF TO TAKE FURTHER ACTIONS CONSISTENT WITH THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE

The undersigned, being the duly acting and appointed University of West Florida Board of Trustees (the "Board") at a meeting duly held pursuant to notice and a quorum being present, do hereby make the following resolutions:

BE IT RESOLVED:

Section 1. Findings.

The Board hereby finds as follows:

(a) The Board is responsible for the governance of the University of West Florida (the "University"), a constituent institution of the State University System of Florida.

(b) Pursuant to the provisions of Section 240.2093, Florida Statutes (2002), and Section 240.299, Florida Statutes (2002), a direct support organization may issue its obligations to finance, design and construct facilities necessary and desirable to serve the needs and purposes of the University, as determined by the systemwide strategic plan adopted by the Florida Board of Education, upon approval of such agreements by the Florida Board of Education and approval of the project by the Legislature.

(c) Pursuant to the provisions of Section 243.151, Florida Statutes (2002), the University is authorized to enter into agreements to lease land under its jurisdiction to a direct support organization to be used to construct thereon facilities necessary and desirable to serve the needs and purposes of the University.

(d) The University of West Florida Foundation, Inc., a Florida not-for-profit corporation (the "Foundation") was created for the purpose of providing direct support to the University of West Florida (the "University"), and has been designated as a "University Direct Support Organization" as defined in Section 240.299, Florida Statutes (2002), and continues to be so designated.

(e) The Foundation proposes to finance the costs of the acquisition and construction of an addition to the housing system of the University consisting of two new traditional dormitory style student housing facilities containing approximately 400 beds (the "2002 Project"). The 2002 Project will be located upon University land subleased to the Foundation. To finance Phase 1 of the 2002 Project, the Foundation proposes to issue its Housing System Revenue Note, Series 2002 (the "2002 Note") in an aggregate principal amount not to exceed \$7,500,000, payable solely from and secured by a pledge of the net revenues of the student housing system of the University (the "Student Housing System Revenues") which revenues are also subject to the lien of \$15,400,000 Escambia County Housing Finance Authority Dormitory Revenue Bonds (University of West Florida Foundation, Inc. Project), Series 1998 and \$13,455,000 of Escambia County Housing Finance Authority Dormitory Revenue Bonds (University of West Florida Foundation, Inc. Project), Series 1999 (the "1999 Bonds"). The 2002 Note will be issued to finance the costs of (i) the acquisition and construction of an addition to the housing system of the University consisting of a new 200-bed traditional dormitory-style student residence facility; (ii) capitalized interest, and (iii) certain costs of issuance (collectively, the "Phase 1 2002 Project").

(f) The 2002 Project is consistent with the systemwide strategic plan.

(g) The Legislature has approved the 2002 Project (as hereinafter defined) in the General Appropriations Act and Summary Statement of Intent for Fiscal Year 2002-2003.

Section 2. Approval of the Phase 1 2002 Project and Financing.

The Board hereby approves the acquisition and construction of the Phase 1 2002 Project and further approves the issuance of the 2002 Note as herein set forth.

Section 3. Authorization of Second Amendment to Sublease Agreement and Assignment Thereof.

The Foundation has requested the Board to approve the sublease of the land on which the Phase 1 2002 Project is to be constructed to the Foundation pursuant to the terms of the existing Sublease Agreement between the Board and the Foundation dated September 1, 1998, as amended by that certain First Amendment to Sublease Agreement dated October 1, 1999, as further amended by the Second Amendment to Sublease Agreement herein described. The Second Amendment to Sublease Agreement, in substantially the form attached hereto as Exhibit "A" with such changes, alterations, and corrections as may be approved by the President of the University is hereby approved by the Board. The Foundation is specifically authorized to assign or mortgage its interest in the Second Amendment to Sublease Agreement as security for the 2002 Note.

Section 4. Approval of 2002 Note.

The Board hereby approves issuance of the 2002 Note by the Foundation in an amount not to exceed \$7,500,000, having a final maturity not to exceed 32 years from the date thereof and at an interest rate or rates acceptable to the Foundation, for the purposes designated elsewhere in this Resolution and the Exhibits thereto and reaffirms its approval of the existence and purposes of the Foundation. This approval is subject to the understanding that the 2002 Note does not create any obligation of the Board, the State of Florida, or any political subdivision, department, or agency thereof, to pay any part of the principal or premium, if any, or interest on the 2002 Note, or to levy ad valorem taxation or any other form of taxation to repay the same, but rather such 2002 Note shall be solely the non-recourse obligation of the Foundation, to be repayable solely from Student Housing System Revenues.

Section 5. Authorization of Further Actions Consistent Herewith.

The President of the University, attorneys, engineers or other agents or employees of the University and the Board are hereby authorized and directed to do all acts and things required of them by this resolution, or desirable or consistent with the requirements thereof, for the full, punctual, and complete performance of all the terms, covenants and agreements contained in the Second Amendment to Sublease Agreement and this Resolution, including execution of such documents, certificates, contracts, and legal opinions, and other material delivered in connection with the construction of the Phase 1 2002 Project and the sale of the 2002 Note.

Section 6. Approvals Contingent Upon Receipt of Required Approvals.

The approvals herein granted are contingent upon receipt by the Foundation of any and all required approvals from the Florida Board of Education.

Section 7. Repealing Clause.

All resolutions of the Board, or parts thereof, in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

UNIVERSITY OF WEST FLORIDA BOARD OF TRUSTEES

By: _____
Chairman _____

President Marx moved and Trustee Epps seconded approval of two student fees for 2002-03. It passed unanimously.

The meeting adjourned at 11:16 a.m.