

MINUTES OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF SOUTH ALABAMA

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A meeting of the Executive Committee of the Board of Trustees was held on Friday, September 15, 1967 in the private dining room of the University cafeteria commencing at 12:00 noon.

There were present: Messrs. Ernest G. Cleverdon, L. W. Brannan, Jr., Roland Cooper, Mylan R. Engel, W. Ray Lolley and President P. Whiddon. Colonel Terry Moore and Dr. James F. Caldwell attended by invitation.

Minutes of the Executive Committee meeting of August 6th were distributed. The Chairman stated that since these minutes were not mailed to the members prior to the meeting, members would be given one week to notify secretary of changes, otherwise minutes would be considered approved as written.

At the Executive Committee meeting of August 6th, the general idea of a central heating and cooling plant was approved but members desired more time in which to study more carefully the report of Frederic R. Harris, Inc.. In the report, Plan B, (a plant consisting of gas-engine-driven centrifugal chillers with exhaust heating recovery boilers generating steam for steam absorption chillers; supplementary gas forced steam boilers; steam and chilled water distribution on campus), was recommended for the proposed plant. The report stated that, "in addition to having the lowest annual cost, there were several other major advantages such as: (1) the centrifugal chillers can be expected to last thirty years or more, (2) gas engines are relatively maintenance free and can provide highly reliable and continuous service, (3) the plant will be virtually automatic in operation and will require a minimum of operating personnel, (4) the system lends itself quite well to operation at partial loads and, (5) expanding plant in the future can be performed economically and is compatible with equipment and systems recommended".

Listed below is summary of estimated annual operating costs for Plan B:

<u>FIXED ANNUAL OWNING COST</u>		<u>ANNUAL OPERATING COSTS</u>	
Capital Investment	\$337,040	Gas	\$81,684
Insurance	21,065	Electric	37,202
Maintenance Contract	50,000	Water	1,700
	<u>\$408,105</u>	Operating & Personnel	75,000
		Service & Maintenance	<u>5,000</u>
			\$200,586
ANNUAL OWNING AND OPERATING COSTS		\$608,691	

The Executive Committee members, with the exception of Mr. Engel, were in agreement with the Harris report in the selection of Plan B, but it was decided that a final authorization would not be given until officials of the Mobile Gas Service Corporation agreed to pay 1/2 engineering costs and

that the engineering firm contracted to do the architectural work and design, deduct \$10,000.00 from their fee, this being the amount the University paid Frederic R. Harris, Inc. to conduct the preliminary study and prepare designs. It was further decided that a conference call would be arranged for Monday evening giving President Whiddon ample time to discuss this with Gas Company officials.

Upon the motion of Mr. Engel, seconded by Mr. Brannan, the following resolution was unanimously approved:

BE IT RESOLVED by the Executive Committee of the Board of Trustees that James F. Caldwell, be and he is hereby authorized to execute and file an application on behalf of the University of South Alabama with the Department of Housing and Urban Development, United States Government, for a loan to aid in financing the construction of a General Air-conditioning and Heating Plant and Distribution System, and that said James F. Caldwell be and he is hereby authorized to execute and file an assurance of compliance with Title VI of the Civil Rights Act of 1964 on behalf of the University of South Alabama with the Department of Housing and Urban Development, United States Government, in support of the aforementioned application, and that James F. Caldwell, Director for Development and Contracts be and he is hereby authorized and directed to furnish such information as the Department of Housing and Urban Development may reasonable request in connection with the application which is herein authorized to be filed.

FURTHER BE IT RESOLVED, that in the acquisition of any real property with the assistance of the proposed loan, the University will:

1. Make every reasonable effort to acquire the real property by negotiated purchase before instituting eminent domain proceedings.
2. Not require any owner to surrender possession of the property until the applicant pays, or causes to be paid, to the owner (a) the agreed purchase price arrived at by negotiation, or (b) in any case where only the amount of the payment to the owner is in dispute, not less than 75 percent of the appraised fair value as approved by the applicant and concurred in by HUD.
3. Not require any person lawfully occupying property to surrender possession without at least a 90 day written notice from the applicant of the date on which possession will be required.

President Whiddon stated that Hillsdale Heights was now a self-sustaining operation and that money borrowed from the Agency Fund of the University of South Alabama for the initial operation, must be repaid. Upon the motion of Mr. Cooper, seconded by Mr. Lolley, the firm of Morring, Giles, Watson, &

Willisson of Huntsville, Alabama, was unanimously approved to handle a bond issue in the amount of \$3,000,000.00 at the rate of 3/4 of 1 percent to finance Hillsdale Heights.

Upon the motion of Mr. Cooper, seconded by Mr. Lolley, the following resolution was unanimously approved:

WHEREAS, the Hillsdale Heights Subdivision of Mobile, Alabama has been acquired on mortgage assumed by the University of South Alabama, and

WHEREAS, the subdivision must be a self supporting project - separate from internal University funds, and

WHEREAS, Agency Funds were used as directed to close the loan and to begin the project, and

WHEREAS, a Bond Issue has been initiated to provide the long range financing for the Hillsdale Heights project.

THEREFORE BE IT RESOLVED, that Dr. Frederick P. Whiddon and Mr. John Compton, President and Comptroller respectively, are hereby authorized for and in the name of University of South Alabama, to negotiate and secure a bank loan of \$500,000.00 from Mobile banks as an obligation of the University of South Alabama, for the purpose of repaying the Agency Funds loaned to the Hillsdale Project during 1967, and

BE IT FURTHER RESOLVED, that Dr. Frederick P. Whiddon and Mr. John Compton, in their capacities as President and Comptroller respectively, are hereby authorized to execute any and all instruments and documents necessary to effectuate the intent of this resolution, and

BE IT FINALLY RESOLVED, that the first proceeds of the Hillsdale Heights Bond Issue be used to retire the foregoing bank loan.

Upon the motion of Mr. Engel, seconded by Mr. Brannan, the following resolution was unanimously approved:

WHEREAS, the Bookstore-Cafeteria building was considered by the University to be an approved project with the Alabama Public School and College Authority, and

WHEREAS, the Alabama Public School and College Authority now declines to pay for the cost of the Cafeteria-Bookstore Building, and

WHEREAS, the Bookstore-Cafeteria building probably will soon be converted to other uses, and

WHEREAS over \$100,000.00 of the cost of this building has previously been paid from the Agency Funds,

THEREFORE BE IT RESOLVED, that the unpaid bank loan of \$70,000.00 be paid from the Agency Fund, and \$10,000.00 paid by the Bookstore and the \$10,000.00 paid by the Cafeteria be restored to those operations. The remaining \$10,000.00 was paid from the 1965-66 Agency Fund operations.

Upon the motion of Mr. Lolley, seconded by Mr. Engel, the following resolution was unanimously approved:

BE IT RESOLVED, that the unused monies in both the Agency and the Operating Funds be invested in Government Bills and that the earnings from such investments be added to the Endowment Fund.

President Whiddon reported that members of the Evaluation Committee, appointed by the Southern Association of Colleges and Schools, would be on Campus from October 1st through October 4th and that all provisions had been made for their arrival. It was noted that the visit was scheduled at this time in order that the University might be considered for accreditation at the 1967 annual meeting of the Association to be held in November.

The President further reported that he had been informed by Colonel James W. Carroll of the 3rd U. S. Army Headquarters in McPherson, Georgia, that the University of South Alabama had been placed near the top of the list to receive an Army R. O. T. C. unit.

Referring to the Mobile General Hospital, President Whiddon stated that in his meeting with Mobile General Board of Directors, Legislators, and other government and church leaders in Mobile, he stated that the conditions on which the University would accept the hospital, if it was offered, were: (1) that there be adequate operational revenue, (2) that all debts were completely eliminated, (3) that a favorable report was received from the firm of Booz, Allen & Hamilton, Inc., Management Consultants, who are now making a study on the feasibility of a second medical school in Alabama, and (4) that it be offered without division or controversy.

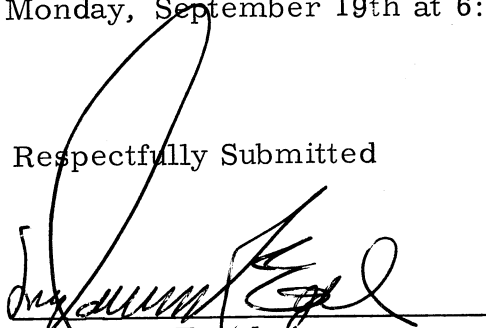
Mr. Engel stated there was no question that the Board of Directors of the Mobile General Hospital would turn over the hospital to the University. Dr. Whiddon stated that Mobile City officials had indicated approval of the transfer and that Senator Lister Hill in Washington, D. C., had promised his support for matching funds.

President Whiddon stated that student enrollment is expected to reach four to five thousand over a period of the next two years, therefore necessitating another general classroom building. In the meeting of June 10th, a resolution was passed authorizing Executive Committee and the President to employ architects to proceed with planning a classroom building. Upon the motion of Mr. Engel, seconded by Mr. Cooper, the firm of Bond and Bond was unanimously approved as architects for the new general classroom building.

Dr. Caldwell stated that word received from the State Department of Education indicated that a change in criteria for priority on new buildings was such that the University of South Alabama would not be able to seek grants for more than one million dollars on any building. He explained further that this would deprive the University of an adequate building program. It was decided that the Governor's office would be contacted by Mr. Cooper to arrange for an appointment to discuss this situation.

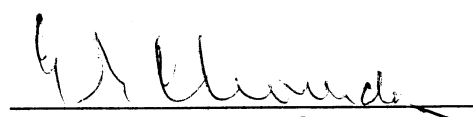
Upon the motion duly made, seconded and unanimously approved, the meeting was recessed until conference call on Monday, September 19th at 6:30 P. M.

Respectfully Submitted



Mylan R. Engel
Secretary

ATTEST:



Ernest G. Cleverdon
Chairman

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Continuation of recessed meeting of
September 15, 1967

A continuation of the Executive Committee meeting of September 15th was held in the President's office of the University of South Alabama where a prearranged conference call took place on September 18, 1967 at 6:30 P. M.

There were present: Messrs L. W. Brannan, Jr., Roland Cooper, Mylan R. Engel, W. Ray Lolley and President Whiddon. Colonel Terry Moore and Dr. James F. Caldwell attended by invitation.

The first item to be discussed was the selection of an engineer for the central cooling and heating system. Mr. Cooper moved that the firm of Hamlin and Deupree be engaged by the University, seconded by Mr. Brannan and unanimously approved.

Senator Cooper stated that an appointment had been arranged with Governor George Wallace for 9:00 A. M. on September 19th in Montgomery. It was decided that President Whiddon, Senator Lolley, Dean J. H. Hadley, Dr. Caldwell and Colonel Moore would meet with the Governor and discuss the possibility of suspending the newly adopted point system used to establish allocations of federal grants under the Higher Education Facilities Act.

President Whiddon recommended that the Committee approve Plan B for the central heating and cooling system if, and only if, the Mobile Gas Service Corporation agrees to participate in paying 1/2 of the engineer's fee and the \$10,000.00 fee paid by the University to the firm of Frederic Harris, Inc. to make the study.

Upon the motion of Mr. Cooper, seconded by Mr. Lolley, the following resolution was approved, with one descending vote from Mr. Engel:

WHEREAS, a study authorized by the Executive Committee concerning a central heating and cooling plant has been completed, and

WHEREAS, the firm of Frederic R. Harris, Inc. recommends that such a plant is economically sound,

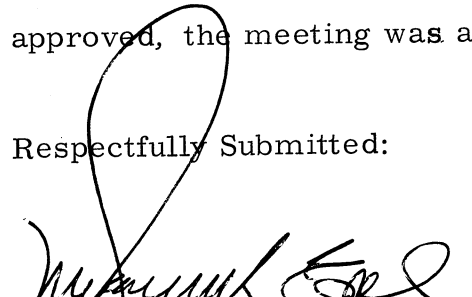
NOW THEREFORE BE IT RESOLVED by the Executive Committee of the Board of Trustees that Plan B of subject report be adopted and implemented.

Upon motion duly made, seconded and approved, the meeting was adjourned.

Respectfully Submitted:

ATTEST:




Mylan R. Engel, Secretary