

# UCCSN Board of Regents' Meeting Minutes August 25-26, 1978

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BOARD OF REGENTS

UNIVERSITY OF NEVADA SYSTEM

August 25, 1978

The Board of Regents met in special session on the above date in

The Center, 1101 N. Virginia, Reno.

Members present: Fred M. Anderson, M. D.

Mr. James L. Buchanan, II

Mr. John Buchanan

Mr. Chris Karamanos

Mrs. Molly Knudtsen

Louis E. Lombardi, M. D.

Miss Brenda D. Mason

Mr. John Tom Ross

Members absent: Mrs. Lilly Fong

Others present: Chancellor Donald H. Baepler

President Joseph N. Crowley, UNR

Mr. Larry Lessly, General Counsel

Mrs. Bonnie Smotony, Secretary

The meeting was called to order by Chairman Buchanan at 7:55 P.M.

1. Recommendation for Conversion of Harrah's Bonds

Mr. John Buchanan reported that Harrah's has called for redemption of its 7-1/2% convertible bond at \$106.71. To protect the value in the endowment fund portfolio, the University must either sell the bond or convert it to common stock prior to September 14.

Mr. John Buchanan moved consideration of this matter as an emergency item. Motion seconded by Mrs. Knudtsen, carried without dissent.

2. Financing of Phase III, WNCC/N

Chancellor Baepler requested authority to proceed with the sale of a \$1.2 million debenture to provide interim financ-

ing for the construction of Phase III of WNCC/N until legislative clarification is obtained in the 1979 session and adequate revenue bonding is available.

Mr. Karamanos moved adoption of Resolution #78-2, authorizing the public sale of the securities of the University of Nevada designated as the University of Nevada, Western Nevada Community College Interim Debenture, Series October 1, 1978, in the principal amount of \$1.2 million, and further moved the authorization of such other procedures as are required to effect such sale. Motion seconded by Mr. Ross, carried without dissent.

Discussion resumed on Item 1, Recommendation for Conversion of Harrah's Bonds

Mr. John Buchanan moved that the Harrah's convertible bonds be converted to common stock. Motion seconded by Mrs. Knudtsen, carried without dissent.

### 3. Main Station Farm Bids

Dr. Anderson moved that where the University of Nevada System is involved in purchase, sale, exchange or lease of

any real estate, including buildings and other improvements, no real estate agent or other third party who might expect a fee or other remuneration from the University System shall be involved in such transaction unless by prior specific affirmative action by the Board of Regents. This motion includes any transactions regarding the three parcels of the Farm presently being considered for sale, trade or lease.

Motion seconded by Mr. Lombardi.

Mr. Ross expressed concern that such action would discourage activity by real estate agents on behalf of the University and would eliminate any cooperation in future sales of University property.

Chancellor Baepler suggested that this be deferred until the September meeting to permit some staff work on the proposal and to permit some consultation with representatives of the real estate industry.

Mr. Ross moved to table until September. Motion seconded by Mr. Karamanos, carried without dissent.

A. Parcel #3 - General Counsel Lessly noted that a lawsuit had been filed challenging the bids on Parcel #3 of the

Main Station Farm and also noted that Dean Bohmont has, subsequent to the offering of this property, determined that he does not wish to dispose of the Veterinary Sciences Facility and the several acres surrounding it. Based on those two factors, Mr. Lessly recommended that all bids on Parcel #3 be rejected.

Dr. Lombardi moved approval. Motion seconded by Mr. John Buchanan, carried without dissent.

B. Parcels #1 and #2 - President Crowley reported that the bids on Parcels 1, 2 and 3 of the Main Station Field Laboratory had been reviewed by the College of Agriculture Citizens Advisory Committee, the Dean and staff of the College and the Vice President for Business, and he recommended the following:

1. That all bids for Parcel 3 be rejected (noting that this action had already been taken).
2. That a decision as to award or rejection of the bid on Parcels 1 and 2 be postponed until such time as up-to-date appraisals of all properties involved can be completed. These properties, he noted, would in-

clude Parcels 1, 2 and 3 of the Main Station Field

Laboratory and the Jones Ranch land described in the

Dermody-Jones bid.

3. That upon completion of these appraisals, the Administration make a recommendation on the reopening of bids on Parcel 3, and the award or rejection and reopening of bids on Parcels 1 and 2.

Mr. Ross moved approval. Motion seconded by Mrs. Knudtsen.

Chancellor Baepler recalled the earlier discussion and the sequence in the awarding of these bids, noting that it was determined to be desirable to consider Parcel 3 before considering Parcels 1 and 2 because it was, at that time, believed necessary to have cash available to develop the properties to be obtained by disposing of Parcels 1 and 2 and to improve the Gund Ranch as well as other areas. He suggested that this rationale was still valid. Dr. Baepler also noted that the normal time within which bids must be awarded had expired and expressed concern that further delay would not be possible. He suggested that if reappraisals were to be

secured, bids on parcels 1 and 2 also be rejected and any further action on the three parcels be handled as a package.

Dr. Crowley suggested that the new appraisals could be complete by the September 22 meeting and it would then be possible for the Board to make a determination at that meeting about the reopening of bids on Parcel 3, as well as the appropriate action to be taken on Parcels 1 and 2.

Mr. Frank Cassas stated that his clients would agree to hold the Dermody-Jones bid open for a reasonable time to allow for a reappraisal.

Motion to accept President Crowley's recommendation carried with the following roll call vote:

Yes - Dr. Anderson, Mrs. Knudtsen, Dr. Lombardi, Miss

Mason, Mr. Ross

No - Mr. John Buchanan, Mr. Karamanos

Abstain - Mr. James Buchanan

The meeting adjourned at 8:25 P.M.

Bonnie M. Smotony

Secretary of the Board

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