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
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 legis-
lative clarification is obtained in the 1979 session and
adequate revenue bonding is available.

Mr. Karamanos moved adoption of Resolution #78-2, authoriz-
ing 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 fur-
ther 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 in-
cludes 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 Agricul-
ture 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 car-
rried 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

08-25-1978