

**Board of Trustees of the University of Oregon
Finance and Facilities Committee Meeting
September 10, 2015**

10:00 am: Public Meeting Ford Alumni Center, Room 403

Convene

- Call to order
- Roll call

1. Approval of June 2015 FFC minutes (Action)

2. Public comment

3. Quarterly reports

- 3.1 Q4 financial report, *Vice President for Finance and Administration Jamie Moffitt*
- 3.2 Q4 treasury report, *Director of Treasury Operations Karen Levear*

4. Capital projects

- 4.1 Capital improvement agreement: Marcus Mariota Sports Performance Center, *Phit, LLC representative Howard Slusher (Action)*
- 4.2 Capital improvement agreement: Hayward Field, *University of Oregon Foundation President and CEO Paul Weinhold (Action)*
- 4.3 Academic building projects: Chapman Hall, College & Careers Building, Klamath Hall, *AVP for Campus Planning and Real Estate Chris Ramey (Action)*

5. Fiscal Year 2016 budget, Vice President for Finance and Administration Jamie Moffitt (Action)

6. Tuition and fees

- 6.1 Earlier student input in the tuition-setting process, *Vice President for Finance and Administration Jamie Moffitt (Action)*
- 6.2 Tuition guarantee concept, *Vice President for Finance and Administration Jamie Moffitt and Vice President for Enrollment Management Roger Thompson*

Meeting Adjourns



Agenda Item #1

Approval of June 2015 Meeting Minutes

Draft minutes for June 2015 were emailed to the Finance and Facilities Committee on August 26, 2015.



Agenda Item #2

Public Comment

There are no materials for this section

Agenda Item #3

Quarterly Reports

- #3.1 - Q4 Financial Report
- #3.2 – Q4 Treasury Report



Agenda Item #3.1

Q4 Financial Report

FY15 Actual's Quarter 4 (July - June) Report - All Funds except Agency and Clearing

	Designated				Restricted Gift					Total
	Education and General	Ops and Service Center	Auxiliaries	Grant Funds	Funds	Other Funds	Plant Funds	Internal Bank		
State Appropriation	\$ 56,111,454	\$ 1,216,016	\$ 440,000	\$ 60,000	\$ -	\$ -	\$ -	\$ 31,448	\$ 57,858,918	
Tuition and Fees	\$ 372,366,154	\$ 12,267,619	\$ 38,787,466	\$ 211	\$ (27,981)	\$ -	\$ -	\$ 3,288,507	\$ 426,681,976	
Gifts Grants & Contracts	\$ 336,508	\$ 5,796,236	\$ 103,974	\$ 107,381,539	\$ 57,096,891	\$ 2,000	\$ 11,954,359	\$ -	\$ 182,671,506	
ICC Revenue	\$ 19,185,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,311,975	\$ -	\$ 20,497,845	
Federal Student Aid	\$ -	\$ -	\$ -	\$ 24,381,695	\$ -	\$ -	\$ -	\$ -	\$ 24,381,695	
Interest and Investment	\$ 5,186,262	\$ 12,827,784	\$ 481,532	\$ 13,596	\$ 1,315,306	\$ (611,780)	\$ 617,793	\$ 2,341,526	\$ 22,172,019	
Internal Sales	\$ 24,075	\$ 34,989,109	\$ 13,087,757	\$ 18,413	\$ 2,250	\$ -	\$ -	\$ 21,701,056	\$ 69,822,660	
Sales & Services	\$ 2,561,521	\$ 11,134,093	\$ 133,642,285	\$ 1,082,146	\$ 1,736,593	\$ -	\$ -	\$ -	\$ 150,156,639	
Other Revenues	\$ 2,394,119	\$ 2,255,718	\$ 2,004,119	\$ -	\$ 352,716	\$ -	\$ 105,605	\$ -	\$ 7,112,277	
Transfers From Ore State Agencies	\$ 259,292	\$ -	\$ -	\$ 7,615,280	\$ -	\$ -	\$ 14,588,911	\$ 4,902,962	\$ 27,366,445	
Total Revenue	\$ 458,425,256	\$ 80,486,575	\$ 188,547,133	\$ 140,552,879	\$ 60,475,776	\$ (609,780)	\$ 28,578,643	\$ 32,265,499	\$ 988,721,980	
Salaries and Wages	\$ 239,906,266	\$ 23,301,395	\$ 54,105,857	\$ 37,363,520	\$ 13,278,157	\$ -	\$ -	\$ 149,508	\$ 368,104,702	
OPE Health Benefits	\$ 50,044,694	\$ 5,281,566	\$ 11,872,839	\$ 7,521,017	\$ 1,307,960	\$ -	\$ -	\$ 16,169	\$ 76,044,245	
OPE Retirement	\$ 39,273,259	\$ 3,975,510	\$ 7,788,454	\$ 5,432,711	\$ 1,711,493	\$ -	\$ -	\$ 18,061	\$ 58,199,488	
OPE Other	\$ 22,381,290	\$ 2,045,247	\$ 4,132,984	\$ 2,454,131	\$ 2,342,573	\$ -	\$ -	\$ 12,202	\$ 33,368,427	
OPE GTF Remissions	\$ 21,621,966	\$ 372,311	\$ 115,807	\$ 1,808,500	\$ 203,086	\$ -	\$ -	\$ -	\$ 24,121,669	
Total Personnel Services	\$ 373,227,474	\$ 34,976,028	\$ 78,015,942	\$ 54,579,879	\$ 18,843,269	\$ -	\$ -	\$ 195,940	\$ 559,838,531	
Service & Supplies	\$ 90,732,899	\$ 26,176,026	\$ 70,915,276	\$ 26,066,897	\$ 17,186,820	\$ 633,491	\$ 4,215,015	\$ 28,309,519	\$ 264,235,942	
Merchandise-Resale/Redistribution	\$ 3,030	\$ 14,925,166	\$ 13,260,827	\$ 4,000	\$ 145	\$ -	\$ -	\$ -	\$ 28,193,168	
Internal Sales Reimbursements	\$ (17,059,355)	\$ (2,194,983)	\$ (1,229,573)	\$ (26,102)	\$ (68,913)	\$ -	\$ -	\$ -	\$ (20,578,926)	
Indirect Costs	\$ 473,595	\$ 2,234,456	\$ 5,904,975	\$ 20,541,869	\$ 4	\$ 271,341	\$ -	\$ -	\$ 29,426,240	
Depreciation/Amortization Expense	\$ -	\$ 4,374,360	\$ 23,292,735	\$ -	\$ -	\$ -	\$ 26,815,394	\$ -	\$ 54,482,489	
Student Aid	\$ 4,527,042	\$ 363,710	\$ 7,813,201	\$ 36,277,777	\$ 17,435,672	\$ 159,177	\$ -	\$ -	\$ 66,576,579	
Total General Expense	\$ 78,677,211	\$ 45,878,735	\$ 119,957,441	\$ 82,864,441	\$ 34,553,727	\$ 1,064,009	\$ 31,030,409	\$ 28,309,519	\$ 422,335,491	
Net Transfers Out/(In)	\$ 7,290,091	\$ (3,139,405)	\$ 1,865,515	\$ 1,440,188	\$ 4,822,572	\$ 4,472	\$ (12,283,433)	\$ -	\$ -	
Total Expense	\$ 459,194,776	\$ 77,715,358	\$ 199,838,898	\$ 138,884,508	\$ 58,219,567	\$ 1,068,481	\$ 18,746,976	\$ 28,505,458	\$ 982,174,022	
Net	\$ (769,520)	\$ 2,771,217	\$ (11,291,765)	\$ 1,668,371	\$ 2,256,208	\$ (1,678,261)	\$ 9,831,668	\$ 3,760,041	\$ 6,547,958	
Beginning Fund Balance	\$ 77,280,262	\$ 52,768,061	\$ 247,107,718	\$ 434,738	\$ 14,427,227	\$ 58,942,402	\$ 344,037,133	\$ 19,512,241	\$ 814,509,783	
Capital Expenditures	\$ (5,776,409)	\$ (68,273)	\$ (2,208,910)	\$ (1,617,697)	\$ (451,246)	\$ -	\$ (89,309,964)	\$ -	\$ (99,432,498)	
Net (from above)	\$ (769,520)	\$ 2,771,217	\$ (11,291,765)	\$ 1,668,371	\$ 2,256,208	\$ (1,678,261)	\$ 9,831,668	\$ 3,760,041	\$ 6,547,958	
Fund Additions/Deductions*	\$ (4,068,255)	\$ 4,640,687	\$ 51,939,129	\$ (558,418)	\$ 2,590,046	\$ (31,405,723)	\$ 211,327,518	\$ 4,025,797	\$ 238,490,781	
Ending Fund Balance	\$ 66,666,078	\$ 60,111,693	\$ 285,546,172	\$ (73,006)	\$ 18,822,236	\$ 25,858,418	\$ 475,886,355	\$ 27,298,079	\$ 960,116,024	
Year-End Accounting Entries **	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Net Capital Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Other Restricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Unrestricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Total Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	

* - Due to Capital Improvements and Debt Accounting entries, Includes Elimination of State Paid Debt from UO Books

** - Year-End Accounting - e.q. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt

FY15 UO BOT Quarter 4 - Education and General

	FY15 Updated Projection Q3	FY15 Actual Q4	FY15 Q4 Actual as percent of projection	FY14 Actual Q4	FY15 Q4 inc/(dec) from FY14 Q4	FY14 Total Actual	FY15 Q4 Projection compared to FY14 Total as percent	FY15 Updated Projection Q4
State Appropriation	\$ 56,000,889	\$ 56,111,454	100.2%	\$ 49,104,143	14.3%	\$ 49,104,143	14.0%	\$ 56,000,889
Tuition and Fees	\$ 372,648,973	\$ 372,366,154	99.9%	\$ 371,310,700	0.3%	\$ 371,310,700	0.4%	\$ 372,648,973
Gifts Grants & Contracts	\$ 500,000	\$ 336,508	67.3%	\$ 360,994	-6.8%	\$ 360,994	38.5%	\$ 500,000
ICC Revenue	\$ 19,750,000	\$ 19,185,870	97.1%	\$ 18,354,414	4.5%	\$ 18,354,414	7.6%	\$ 19,750,000
Federal Student Aid	\$ -	\$ -		\$ -		\$ -		\$ -
Interest and Investment	\$ 4,254,098	\$ 5,186,262	121.9%	\$ 4,224,202	22.8%	\$ 4,224,202	0.7%	\$ 4,254,098
Internal Sales	\$ 50,000	\$ 24,075	48.2%	\$ 61,839	-61.1%	\$ 61,839	-19.1%	\$ 50,000
Sales & Services	\$ 2,323,000	\$ 2,561,521	110.3%	\$ 2,406,902	6.4%	\$ 2,406,902	-3.5%	\$ 2,323,000
Other Revenues	\$ 700,000	\$ 2,394,119	342.0%	\$ 1,184,293	102.2%	\$ 1,184,293	-40.9%	\$ 700,000
Transfers From Ore State Agencies	\$ 130,000	\$ 259,292		\$ 4,578		\$ 4,578	2739.7%	\$ 130,000
Total Revenue	\$ 456,356,960	\$ 458,425,256	100.5%	\$ 447,012,065	2.6%	\$ 447,012,065	2.1%	\$ 456,356,960
Salaries and Wages	\$ 239,650,000	\$ 239,906,266	100.1%	\$ 222,608,462	7.8%	\$ 222,608,462	7.7%	\$ 239,650,000
OPE Health Benefits	\$ 50,625,000	\$ 50,044,694	98.9%	\$ 47,882,280	4.5%	\$ 47,844,892	5.8%	\$ 50,625,000
OPE Retirement	\$ 39,450,000	\$ 39,273,259	99.6%	\$ 36,644,925	7.2%	\$ 36,488,423	8.1%	\$ 39,450,000
OPE Other	\$ 20,440,000	\$ 22,381,290	109.5%	\$ 19,528,383	14.6%	\$ 19,722,274	3.6%	\$ 20,440,000
OPE GTF Remissions	\$ 21,700,000	\$ 21,621,966	99.6%	\$ 20,511,551	5.4%	\$ 20,511,551	5.8%	\$ 21,700,000
Total Personnel Services	\$ 371,865,000	\$ 373,227,474	100.4%	\$ 347,175,602	7.5%	\$ 347,175,602	7.1%	\$ 371,865,000
Service & Supplies	\$ 89,000,000	\$ 90,732,899	101.9%	\$ 88,132,382	3.0%	\$ 88,132,382	1.0%	\$ 89,000,000
Merchandise-Resale/Redistribution	\$ -	\$ 3,030		\$ 1,821	66.4%	\$ 1,821	-100.0%	\$ -
Internal Sales Reimbursements	\$ (15,100,000)	\$ (17,059,355)	113.0%	\$ (16,399,583)	4.0%	\$ (16,399,583)	-7.9%	\$ (15,100,000)
Indirect Costs	\$ 413,201	\$ 473,595	114.6%	\$ 408,552	15.9%	\$ 408,552	1.1%	\$ 413,201
Depreciation/Amortization Expense	\$ -	\$ -		\$ -		\$ -		\$ -
Student Aid	\$ 2,360,000	\$ 4,527,042	191.8%	\$ 2,524,270	79.3%	\$ 2,524,270	-6.5%	\$ 2,360,000
Total General Expense	\$ 76,673,201	\$ 78,677,211	102.6%	\$ 74,667,443	5.4%	\$ 74,667,442	2.7%	\$ 76,673,201
Net Transfers Out(In)	\$ 7,000,000	\$ 7,290,091	104.1%	\$ 6,419,081	13.6%	\$ 6,419,081	9.0%	\$ 7,000,000
Total Expense	\$ 455,538,201	\$ 459,194,776	100.8%	\$ 428,262,126	7.2%	\$ 428,262,125	6.4%	\$ 455,538,201
Net	\$ 818,759	\$ (769,520)	-94.0%	\$ 18,749,939	-104.1%	\$ 18,749,940	-95.6%	\$ 818,759
Beginning Fund Balance	\$ 77,280,262	\$ 77,280,262	100.0%	\$ 62,875,481	22.9%	\$ 62,875,481	22.9%	\$ 77,280,262
Capital Expenditures	\$ (5,000,000)	\$ (5,776,409)	115.5%	\$ (4,345,158)	32.9%	\$ (4,345,158)	15.1%	\$ (5,000,000)
Net (from above)	\$ 818,759	\$ (769,520)	-94.0%	\$ 18,749,939	-104.1%	\$ 18,749,939	-95.6%	\$ 818,759
Fund Additions/Deductions*	\$ -	\$ (4,068,255)		\$ -		\$ -		\$ -
Ending Fund Balance	\$ 73,099,021	\$ 66,666,078	91.2%	\$ 77,280,262	-13.7%	\$ 77,280,262	-5.4%	\$ 73,099,021
Year-End Accounting Entries **	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Net Capital Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Other Restricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Unrestricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Total Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

* - Due to Capital Improvements and Debt Accounting entries

** - Year-End Accounting - e.q. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt



Agenda Item #3.2

Q4 Treasury Report



UNIVERSITY OF OREGON

Quarterly Treasury Update

September 10, 2015

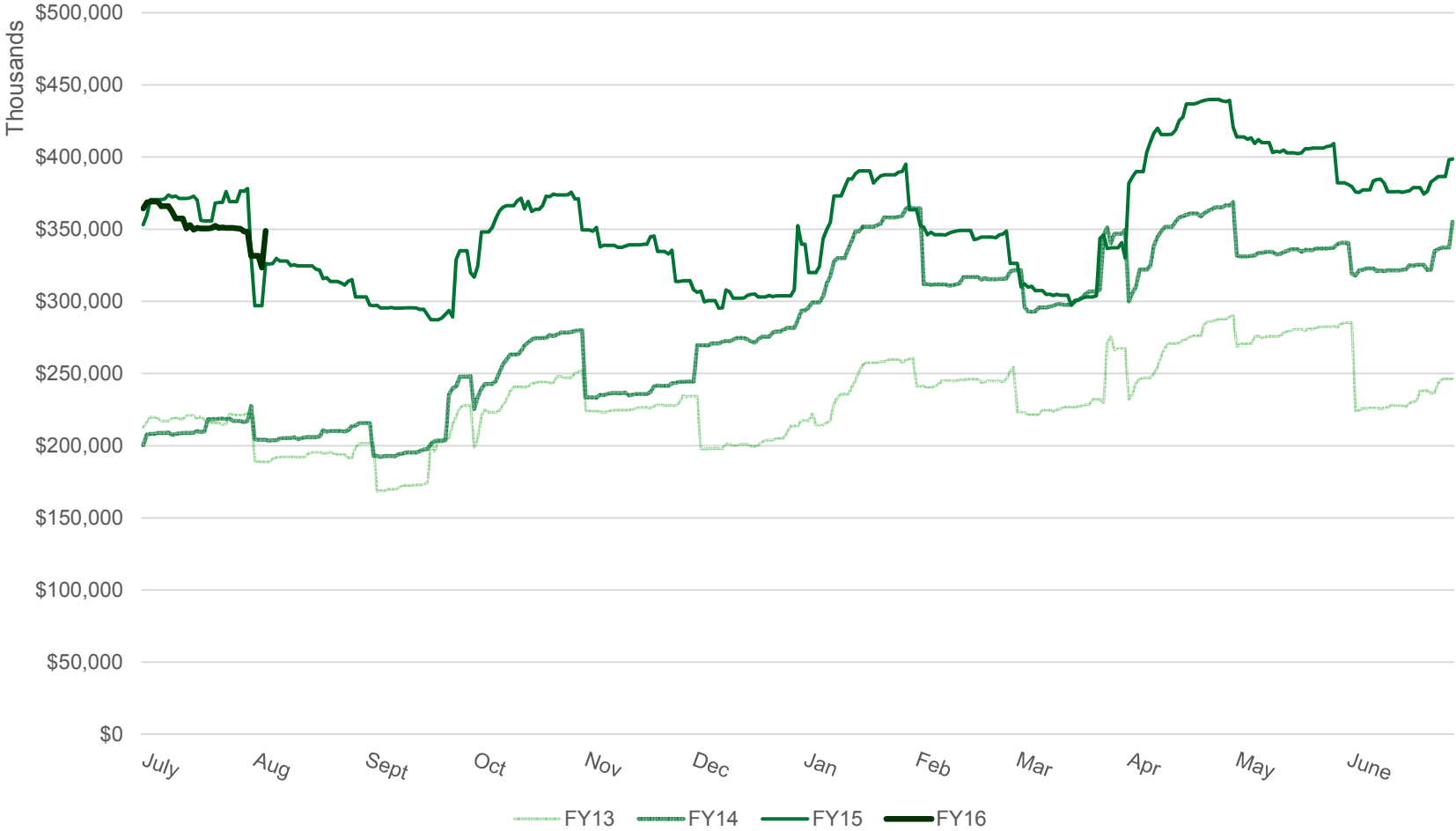
Presenter: Karen Levear, Director of Treasury Operations

Finance and Facilities Committee
Board of Trustees of the University of Oregon



UNIVERSITY OF OREGON

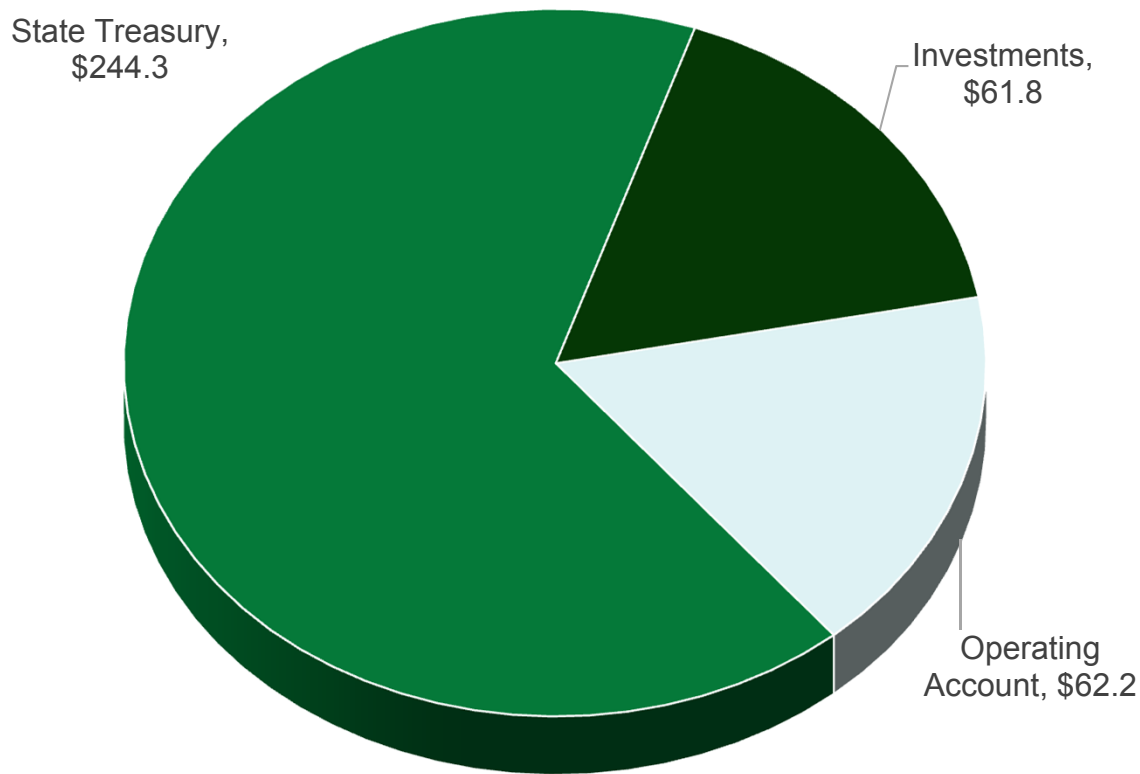
The cash and investment pool continues to follow cyclical trends.



Cash & Investment Pool Holdings

\$348.8 million as of 8/4/15

Estimated Weighted Avg.
Accounting Yield in FY15 was 1.25%



Portfolio Targets

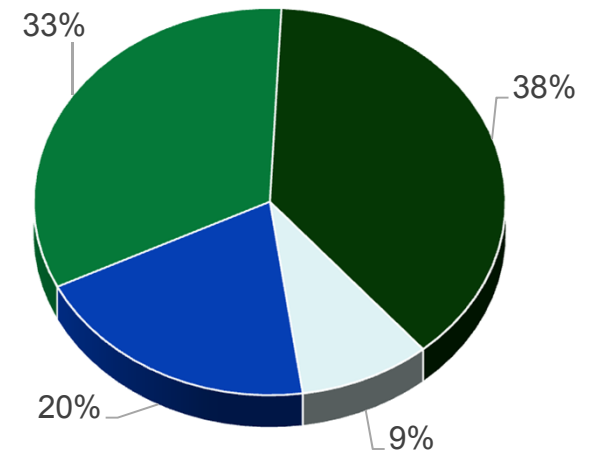
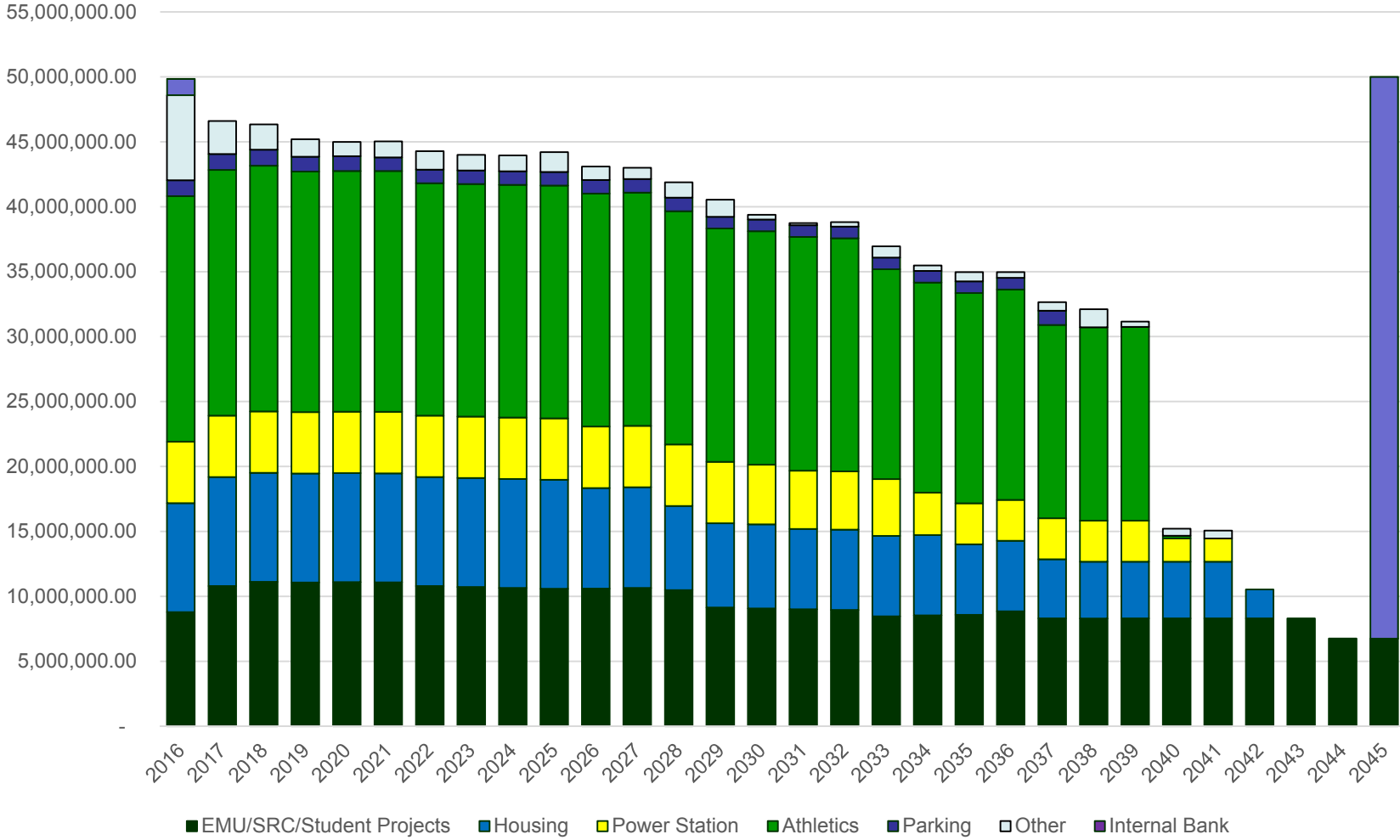


Chart shows average daily balances May 1, 2015 through July 31, 2015

Update on Activities

- Alignment of Cash and Investment Pool
 - Allocated existing investments to the investment tiers
 - Sold certain investments
 - UOF to manage a portion of Tier 3 cash allocation
- Processes now in place for state-backed bond sales
 - Sales completed for 2013-2015 authorized bonds
 - New bonds authorized for 2015-2017 biennium
- Transition of banking activity – completed!
- Next UO revenue bond sale probably 10-16 months
- Treasury function now fully staffed
- December's update is expected to include the more in-depth annual treasury report

There are various debt-paying entities across campus.



Agenda Item #4

- #4.1: Capital Improvement License Agreement: Marcus Mariota Sports Performance Center
- #4.2: Capital Improvement License Agreement: Hayward Field
- #4.3: Academic building projects: Klamath Hall, Chapman Hall, College and Careers Building



Agenda Item #4.1

Capital Improvement License Agreement: Marcus Mariota Sports Performance Center

The Board of Trustees is asked to consider approval of a license agreement with PHIT, LLC, for purposes of planning and constructing the “Marcus Mariota Sports Performance Center”. The project is funded entirely through private philanthropy. The nature of the agreement, the resulting gift to the University, and the ongoing operational needs (funded by Athletics) are such that Board approval is required for the project.

The attached resolution includes a copy of the license agreement and related exhibits (see Exhibit “A” to the resolution). Spiral bound materials will be provided by SRG with (1) an executive summary and the agreement and (2) a schematic design report. Below is the copy from that executive summary as provided by SRG and PHIT.

Executive Summary

What: A 29,000 sf Sport Performance Center and “all sports” Equipment Room.

Where: Casanova Center (Floor One)

PHIT to License described space from the University of Oregon (see license agreement, exhibit “A”).

Who: PHIT contracts with Hoffman Construction Company who in turn contracts with selected Architects (SRG) and other sub-contractors, vendors and suppliers. In rare situations, PHIT will contract directly with a vendor.

When: The optimistic and aggressive schedule is as follows:

November 1, 2015	Complete drawings
December 15, 2015	Bids opened/rolling awards
January 10, 2016	Start construction
August 10, 2016	Substantial completion
September 15, 2016	Final completion/turn over to University

Why:

- To utilize relevant known scientific data in order to maximize well-being and performance of student-athletes at the University of Oregon. Testing and analysis of student-athlete performance is a major ingredient for pre and post competition training and recovery.
- To develop a state-of-the-art equipment facility that will provide operational capability that does not presently exist, more than double storage space and facilitate a merchandising element that will be consistent with the care and safety of the University’s student-athletes.

How: (i) The University of Oregon and PHIT will enter into a License Agreement (see resolution Exhibit “A”) wherein the University will grant a license to PHIT to use identified portions

of Casanova for intended purposes and for the benefit of the University and its student-athlete population.

- (ii) Consistent with previous projects, PHIT contributes needed funds to the University of Oregon Foundation. PHIT draws against a specified account established by the Foundation to compensate Hoffman Construction (HCC) and all entities in privity to HCC, approved by PHIT.
- PHIT is responsible for financial payments and obligated to the University of Oregon for adherence to its rules and regulations (e.g. prevailing wage). Further, PHIT is responsible for establishing schedule with HCC as approved by the Athletic Department of the University of Oregon.
- Upon completion, the facility will be operated by the Department of Athletics of the University of Oregon. Pending approval of this facility by the Board of Trustees a search will be completed by the Athletic Director for the Managing Director of this facility (see Exhibit "C" to the license agreement attached to the resolution). The Athletic Department is responsible for this individual's compensation as well as the operation of this facility.
- Further, statistical analysis is key to data compilation and interpretation, in a meaningful way, to specified staffs. This position has been funded. At the time of writing this memo an offer has been made to a candidate. The goal is to involve this person and the Director in "fine-tuning" the development of this facility.

Requested Action: Your approval is needed to move forward. Thank you for your consideration.

**Finance and Facilities Committee
Board of Trustees of the University of Oregon**

Resolution: Authorization to Enter into License Agreement

Whereas, private philanthropists wish to donate to student-athletes at the University of Oregon (the "UO" or "University") with a 29,000 square foot state-of-the-art sports performance center and equipment room within the Casanova Center;

Whereas, the new performance center will utilize relevant known scientific data in order to maximize well-being and performance of student-athletes at the UO while also providing increased operational capability and storage space;

Whereas, the renovation of the Casanova Center to create the sports performance center will be supported by private philanthropy with no impact on the University's operating budget;

Whereas, Phit, LLC ("Phit") wishes to enter into a License Agreement (the "Agreement"), attached hereto as Exhibit A, with the University for the space described therein for the purpose of designing and constructing the sports performance center;

Whereas, the Agreement stipulates that the license will commence on November 1, 2015 and will cease on the earlier of August 31, 2016 or when the performance center is completed and the licensed area is turned over for the benefit of the University;

Whereas, the Agreement stipulates that sub-contracts will be open for bid as appropriate and that prevailing wages applicable to UO will apply;

Whereas, Sections 1.7.2 and 1.9 of the University of Oregon's Policy on the Retention and Delegation of Authority requires approval by the Board of Trustees (the "Board") for the execution of instruments relating to real property where the anticipated value exceeds \$5,000,000 and for the acceptance of a gift of real estate and/or gifts that create obligations on the part of the University for which there is no established funding source, respectively; and,

Whereas, the Board's Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board as a seconded motion;

Now, therefore, the Finance and Facilities Committee hereby refers to the Board of Trustees as a seconded motion, recommending passage:

1. RESOLVED, the Board authorizes the President or his designee(s) to take all actions necessary and proper to enter into the License Agreement, attached hereto as Exhibit A, with Phit, LLC for purposes of managing the construction of a sports performance center within the Casanova Building;

2. RESOLVED, the Board authorizes acceptance of any gift of property (real or personal) to the University from Phit, LLC which would come in the form of any increased value to the leased property; and
3. RESOLVED, the Board authorizes all prior actions taken on behalf of the University related to the acceptance and use of the aforementioned property.

Moved: _____

Seconded: _____

Trustee	Yes	No
Bragdon		
Colas		
Gary		
Gonyea III		
Kari		
Schill		

Dated: _____ of _____, 2015.

Initials: _____

EXHIBIT A

License Agreement

This License Agreement (this **"Agreement"**) is entered into by the University of Oregon (**"Licensor"**) and Phit, LLC (**"Licensee"**).

WHEREAS, Licensor is the owner of the building known as the Casanova Center (the **"Casanova Center"**) and the other property on the University of Oregon campus in Eugene, Oregon (**"Premises"**).

WHEREAS, Licensee wishes to secure from Licensor and Licensor is willing to grant to Licensee a license to use the those portions of the Casanova Center and adjacent areas necessary for the Project and its construction, (the **"Licensed Area"**) for the installation and construction of alterations and improvements to the Licensed Area, which alterations and improvements will be given to the Licensor as a gift-in-kind for the benefit of the Licensor and to assist Licensor's student / athletes.

WHEREAS, the design, installation and construction of alterations and improvements to the Licensed Area may be referred to herein as the Marcus Mariota Sports Performance Center (**"Project"**).

For good and valuable consideration, the parties agree as follows:

1. Licensor grants to Licensee a non-revocable license (**"License"**) to use the Licensed Area. The License will commence on November 1, 2015. The License will end on August 31, 2016, or when the Licensed Area is turned over to the Licensor for the benefit of Licensor's Athletic Department (**"Term"**), whichever is earlier. The Term may be extended for reasonable cause subject to the approval of both parties, which approval shall not be unreasonably withheld. Licensor grants to Licensee a non-revocable right of ingress and egress over and through the Premises and the Licensor's property immediately adjacent to the Premises reasonably necessary for the purposes set forth in this Agreement. Provided, however, nothing in this Agreement shall be construed to prohibit access by Licensor to the Hatfield / Dowlin Complex, the Moshofsky Center or Autzen Stadium. This License does not convey an interest in real property, but rather is a privilege granted to Licensee for the purposes stated in this Agreement. It is not the intent of the parties that this License Agreement will result in any property tax liability to Licensee. In the event Licensee is assessed any property tax liability as a result of this License, Licensor will pay all taxes and defend and indemnify Licensee and its representatives from all costs, expenses, and other liabilities arising out of such assessment. Licensee shall pay a license fee of one dollar, which shall be due at the start of the Term.
2. Licensor acknowledges that Licensee intends to design, install and construct alterations

and improvements to the Licensed Area that will benefit student / athletes. The anticipated scope and location for the Project will be as generally described in materials presented to Licensor's Board of Trustees. Licensor has reviewed and approved the preliminary design documents for the Project. Licensor agrees the design and construction of the Project shall be done in the sole discretion of Licensee so long as it is generally consistent with Licensee's presentation to Licensor's Board. Any material changes (additive or deductive) to the scope of the Project will be subject to the approval of the President of the University of Oregon, which consent shall not be unreasonably withheld. The President of the University of Oregon will have full authority to agree to any such changes. Licensee must provide Licensor with record drawings upon termination of this Agreement or completion of the work, whichever occurs first. Licensee will consider high performance building standards for energy efficiency and environmental sustainability, provided, however, and notwithstanding anything to the contrary in this Agreement, since this is a private project that will result in a gift, Licensee will have no affirmative obligation to incorporate any such items into the Project including, without limitation, any level of LEED design, registration, documentation, modeling, construction, evaluation, certification and commissioning or its equivalent. Licensee will participate in the Oregon Department of Energy State Energy Efficiency Design (SEED) process for the Project. The work under this Agreement includes certain connections and other work to the Casanova Center that may result in the necessity for repairs to the Casanova Center. Licensee, in its sole discretion, may perform such connections and other work as is required for the work to be performed by Licensee under this Agreement. Licensee agrees to make whatever repairs are necessary and appropriate, in its sole discretion, to the Casanova Center so that the condition of the skins of the Casanova Center is equal to or better than its condition as of the date of this Agreement. Licensor will provide Licensee reasonable access to the Casanova Center for any such repairs and be responsible for any resulting moving of persons or property and relocation expenses. Subject to the requirements of Licensor, Licensee may propose the names and the duration of the names for the Project, and Licensor will not unreasonably object to Licensee's proposal.

3. Licensor and Licensee understand that Licensee will undertake the design, installation and construction of alterations and improvements to the Licensed Area as a private project and Licensee will give the alterations and improvements made to the Licensed Area as a gift-in-kind to Licensor upon completion. Licensor agrees that neither it nor its development office will charge any fee or administration costs of any kind relating to the funds donated for these gifts. Licensor shall use best efforts to assist and expedite all permitting processes. Licensee shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by or for Licensee. Any work performed, materials furnished or obligations incurred shall be at Licensee's sole request and not at the instance of or as agent for Licensor. Licensee shall be solely responsible for obtaining any and all permits and licenses and shall use only

contractors and subcontractors that are properly licensed in Oregon. Licensee shall ensure that its contractor and subcontractors of all tiers pay applicable prevailing wages as required by law for the Project. It is understood that the Project is subject to Oregon's prevailing wage law, and Licensee shall comply with all applicable prevailing wage statutes, regulations, and other requirements set forth in Exhibit A. Licensee agrees that it shall require its contractor to competitively bid or procure the work as appropriate. The procurement may include, without limitation, bidding of the intended scope of work, interviewing selected bidders, negotiating with selected bidders, and awarding to the bidders, in Licensee's sole discretion, that are best able to perform the work, based on price and other relevant factors. The selection will not be based solely on price. Licensee reserves the right to not competitively procure any aspect of the Project if, in Licensee's sole discretion, it is in the best interest of the Project. Licensee has the right to purchase directly and as a sole source any aspects of the Project that are not competitively procured. Licensee's contractor will use good faith efforts in the solicitation of minority, women, and emerging small businesses for the Project and will maintain records of such efforts and the actual usage of such businesses. Notwithstanding anything to the contrary herein, it is agreed that the Project is not and shall not be deemed a public project or public improvement, and Licensee will not, in any way, be acting as a public agency with respect to the Project nor will any provision herein be deemed to result in Licensee acting as a public agency. However, the parties understand that the prevailing wage requirements in ORS 279C.800 to 279C.870 apply to agreements entered into by Licensor in which a private entity constructs, reconstructs, renovates or paints an improvement on real property owned by Licensor, and that for purposes of prevailing wage requirements, this may be considered a "public work."

4. Licensor will, during the construction of the Project, designate, at no cost to Licensee, service vehicle parking spaces for a minimum of twelve (12) vehicles, reasonably acceptable to Licensee, for Licensee's exclusive use plus necessary and reasonable trailer space and laydown areas. Licensor understands that representatives of Licensor use part of the Premises for parking and that it will be necessary for Licensor to make arrangements for alternative parking during the term of this Agreement.
5. Licensee's contractor shall, consistent with the construction, keep any public areas affected by the construction clean and consistent with public use.
6. Licensee is not responsible for the existence of hazardous waste in the Licensed Area. If requested by Licensee, Licensor will arrange and pay for an environmental assessment to be conducted with respect to the Licensed Area or any other portion of the Casanova

Center that will be impacted by the Project. Licensee is also not responsible for any easements and other encumbrances including, without limitation, those exceptions on the May 20, 2010 title report attached as Exhibit B that relate to the Premises and will adversely affect the Project (“**Encumbrances**”). Licensor, at its sole expense, will take all action necessary to remove or relocate any such Encumbrances so that they do not delay or otherwise affect the Project. Licensor will commence such removal or relocation within thirty (30) days of receipt of written notice requesting such removal or relocation. In the event Licensor does not use Licensee’s contractor for the Project for such removal or relocation, Licensor and Licensee will, before Licensor commences such work, negotiate a completion date consistent with the overall Project Schedule and liquidated damages to be paid Licensee by Licensor in an equitable amount but not less than \$500 per day in the event such work is not completed in a timely manner. In lieu of removal or relocation of Encumbrances, Licensor may obtain the necessary consent so that Encumbrances do not delay or otherwise affect the Project. Except as otherwise provided, Licensee accepts its license herein to use the Licensed Area in its "AS-IS" condition with all faults, including both latent and patent defects and Licensor and Licensor's agents are not making, have not made and expressly disclaim any representations or warranties, express or implied, with respect to the Licensed Area. Notwithstanding the non-revocable nature of the License, in the event Licensee subsequently determines that there were latent defects which substantially and materially change the construction anticipated or substantially and materially change the cost of the construction anticipated, Licensee may immediately, upon notice to Licensor, terminate this Agreement. If any such termination is due to hazardous waste issues or Encumbrances, Licensee will have no responsibility to restore the Licensed Area and Licensor will be responsible for any required restoration of the Licensed Area.

7. Before Licensor vacates the Licensed Area, Licensor will, upon ten days’ notice from Licensee, provide access to Licensee for environmental testing of the Licensed Area. Licensor will totally, at its cost, vacate the Licensed Area within thirty (30) days of receipt of written notice by Licensee and leave the Licensed Area in such condition that it is ready for commencement of construction of the Project.
8. Licensee agrees to indemnify and hold harmless Licensor from and against any and all liability, damages, expenses, judgments, proceedings and causes of action based solely on claims by third parties for injury to or death of any person or damage to or destruction of any property and arising out of Licensee's use or occupancy of the Licensed Area, provided, however, such obligation only applies to the extent of any negligent act or omission of Licensee or its employees or authorized agents. Licensee's indemnification obligations under this paragraph shall survive the expiration or termination of this Agreement.
9. Licensee or its contractor shall maintain the insurance specified on Exhibit C on the Licensed Area until this Agreement is terminated or the Licensed Area is turned over to the Athletic Department of Licensor, whichever is earlier.

10. Licensee may not assign this Agreement or sublicense the whole or any part of the Licensed Area without the prior written approval of Licensor, which approval Licensor may grant or withhold in Licensor's sole and absolute discretion.
11. During the term of this Agreement, all obligations of Licensee under this Agreement and actions taken by Licensee pursuant to this Agreement shall comply with all applicable statutes and other legal requirements of all federal, state, county and municipal authorities having jurisdiction of the Licensed Area.
12. Licensee shall, prior to the date of expiration of the License, remove from the Licensed Area Licensee's personal property not affixed to the Licensed Area. At the end of the Term, Licensor shall have sole responsibility for all maintenance and repair of the Licensed Area and Licensee is completely released by Licensor for any responsibility under this Agreement, except for Licensee's surviving indemnification obligations under Paragraph 8. At the end of the Term, Licensee shall return the Licensed Area and donate all improvements, as a gift-in-kind, to Licensor, free of all liens and encumbrances created by Licensee. At the end of the Term, Licensor acknowledges that on behalf of its Athletic Department, Licensor will have fee title to the Casanova Center (including the Licensed Area) and the Athletic Department of the Licensor will have exclusive control, in the sole discretion of the Athletic Department of the Licensor, over the use, staffing and all other operational aspects of the Licensed Area. Provided, however, such use, staffing and operation shall not be below Licensor's own minimum standards.
13. Licensor, at least ninety (90) days prior to the expected date of Substantial Completion of the Project shall employ and pay for the following: Director of Center; Data Analyst and at times for no less than two (2) years thereafter, maintain these full-time positions. The current expected date of Substantial Completion for the Project is August 1, 2016.
14. No later than September 1, 2016, Licensor and Licensee shall meet to discuss reaching a firm agreement on the following: (i) how the operation of the Licensed Area will be funded for five (5) years after completion and (ii) who will be responsible for operating the Licensed Area including, without limitation, public access to the Licensed Area and related issues, and under what conditions. If Licensor and Licensee fail to reach such an agreement on all issues by November 1, 2016, this Agreement, in the sole discretion of Licensee, may be suspended until such time as such issues are resolved or terminated by Licensee. In the event of such suspension or termination, Licensor will reimburse Licensee for direct costs up to \$100,000 incurred by Licensee as of the date of such suspension or termination unless Licensee, in its sole discretion, waives such right in writing.
15. Licensor agrees to waive any and all labor and service fees, interdepartmental charges, mark ups, service charges, etc. for any and all Licensor services related to the Project

including, without limitation, facility management, IT services, security services, lock shop, etc. Provided, however, Licensee will, in its sole discretion, pay for the actual cost of any materials (but not installation) such as locks required and provided by Licensor or Licensee.

16. Licensee may, at any time and without cause terminate this Agreement and return the Licensed Area to Licensor in substantially the same or better condition than it presently exists as of the date hereof. Notwithstanding the non-revocable nature of the License, in the event of a material breach of this Agreement by Licensee or Licensor, the party not in breach may terminate this Agreement and pursue all remedies available under the law.
17. After obtaining Licensee's consent, which shall not be unreasonably withheld or delayed, Licensor and Licensor's agents may enter the Licensed Area to (i) inspect the general condition of the Licensed Area and (ii) perform such duties as Licensor is obligated to perform under applicable law or policy. Licensor's Police Department may enter the Licensed Area at all times without Licensee's consent in order to enforce the laws of the State of Oregon and the rules and regulations of Licensor. In the event of an emergency arising within the Licensed Area which endangers property or persons, the consent requirement is waived by Licensee. All of the provisions contained in this Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto. The provisions of this Agreement shall be construed as a whole and not strictly for or against any party. The provisions of this Agreement are not intended to create, nor shall they be in any way interpreted or construed to create, a joint venture, partnership, agency, or any other similar relationship between the parties. Failure of Licensor or Licensee to enforce any provision of the Agreement shall not constitute a waiver or relinquishment of the right of performance in the future nor of the right to enforce any other provision of this Agreement. This Agreement may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.
18. In the event of any dispute arising out of or relating to this Agreement, the prevailing party will be entitled to reasonable attorney's fees at trial and on appeal.
19. Each party represents it has full authority to sign this Agreement.
20. All obligations of Licensor which, by their nature, are continuing, shall survive expiration or termination of this Agreement.
21. This constitutes the entire agreement of the parties with respect to the matters set forth in this Agreement, supersedes all prior or contemporaneous oral or written agreements with respect to the matters set forth in this Agreement, and shall not be modified except in writing and signed by the parties.

22. Licensor reasonably believes and will use its best efforts to ensure that Licensor will have sufficient funds to perform its duties and obligations under this Agreement. It is Licensor's intention, agreement and obligation to perform its duties and obligations under this Agreement and will use its best efforts to make certain that funds are legally available therefor, and, in that regard, Licensor represents and warrants to Licensee that this Agreement is important to the operation of the Athletic Department. If, despite the above, Licensor is not allotted sufficient funds by appropriation, limitation, grant, or other fund source lawfully available to it for purposes of continuing to perform its duties and obligations under this Agreement, Licensor shall notify Licensee in writing of the unavailability of funds to perform this Agreement. Licensee may elect to authorize and require Licensor to perform, at the Licensee's expense, some or all of Licensor's duties and obligations under this Agreement. In such an event, Licensee reserves its right to recover such expenses from any funds of Licensor that are or become lawfully available, including, without limitation, any general operating funds. In the alternative, Licensee may elect to terminate this Agreement by written notice to Licensor.

23. In the event Licensor fails to perform any of its obligations hereunder, Licensee has all rights and remedies under the law including, without limitation, the right to suspend or terminate this Agreement.

24. This Agreement is subject to the approval of the University of Oregon Board of Trustees prior to September 15, 2015.

LICENSOR
University of Oregon

LICENSEE – PHIT, LLC

By: _____
 Name: _____
 Title: _____

 Date: _____

By: _____
 Name: Philip H. Knight
 Title: _____

 Date: _____

Exhibit A

(Prevailing Wage Rate Law Compliance)

As more particularly described in this Exhibit D, the Licensee shall comply and shall require all Licensee's construction contractors and subcontractors to comply with ORS 279C.800 through 279C.870. The Oregon Bureau of Labor and Industries ("**BOLI**") prevailing wage rates that will apply to the Project under the Agreement (and the construction contract that Licensee will enter into with Licensee's construction contractor) shall be those in effect at the time the construction contract is executed, or if no construction work is authorized to be performed in the initial form of the construction contract, then those prevailing wage rates in effect at the time the construction contractor is under a contractual obligation to perform construction work on the Project. Once established, the prevailing wage rates will then be in effect for the remainder of the Agreement and the construction contract between Licensee and Licensee's construction contractor. The prevailing wage rates that will apply will be those set forth in the then current version of the following BOLI booklet, together with any amendments to that booklet: "**PREVAILING WAGE RATES for Public Works Constricts in Oregon.**"

Licensee shall pay construction workers at not less than the specified minimum hourly rate of wage, and shall include that requirement in all construction contracts and subcontracts pertaining to construction of the Project.

In accordance with ORS 279C.845, every contractor and Subcontractor performing work on the Project shall submit written certified statements to the Licensee and Licensor, on the form prescribed by the Commissioner of BOLI, certifying the hourly rate of wage paid each worker which the Licensee's contractors or subcontractors have employed on the Project, and further certifying that no worker employed on the Project has been paid less than the prevailing rate of wage or less than the minimum hourly rate of wage specified in the Agreement, which certificate and statement shall be verified by the oath of the contractors or subcontractors that each contractor or subcontractor has read the certified statement, that the contractor or subcontractor knows the contents of the certified statement and that the contractor's or subcontractor's best knowledge and belief the certified statement is true.

In order to comply with statutory requirements and administrative rules promulgated by the Commissioner of BOLI, the fee required by ORS 279C.825(1) will be paid by Licensee to the Licensor, so the Licensor can pay the fee to the Commissioner of BOLI as required.

Before starting construction work on the Project, the Licensee shall require its construction contractor to file with the Construction Contractors Board and maintain in full force and effect the separate public works bond required by ORS 279C.836 and OAR 839-025-0015, unless otherwise exempt under those provisions. The Licensee's construction contractor shall also include in every subcontract a provision requiring the subcontractor to have a public works bond filed with the Construction Contractors Board before starting construction work on

the Project, unless otherwise exempt, and shall verify that the Subcontractor has filed a public works bond before permitting the Subcontractor to start work on the Project.

Exhibit B

Title Report

(Attached)

Exhibit C

Licensee's Insurance Requirements

During the Term, Licensee shall provide and maintain commercial general liability (Occurrence Basis) insuring it against claims for personal injury, bodily injury or death, and property damage. Such insurance shall be written with an insurer licensed to do business in the state of Oregon, shall name Licensor as additional insured, and contain a waiver of subrogation endorsement in favor of Licensor. The initial limits of liability of all such insurance shall be not less than \$3,000,000 per occurrence and \$5,000,000 general aggregate. Licensee, at Licensee's sole cost and expense, shall purchase and maintain Causes of Loss-Special Form (formerly "all risk") builder's risk insurance in the amount of the prime contractor's contract price for the construction of alterations, additions or improvements to the Licensed Area and the cost of materials furnished by others, comprising the total value of such alterations, additions or improvements on a replacement cost basis. The insurance shall contain a waiver of subrogation in favor of Licensor. Licensee, at Licensee's sole cost and expense, shall carry Workers' Compensation Insurance as required by Oregon law. No "alternative" forms of workers' compensation self-insurance coverage will be allowed. Licensee, at Licensee's sole cost and expense, shall carry Commercial Business Automobile Liability Insurance (Occurrence Basis) with a \$1,000,000 combined single limit coverage and shall name Licensor as additional insured. Such insurance shall be endorsed with a waiver of subrogation endorsement in favor of Licensor and include coverage for owned, hired and non-owned vehicles. All policies of insurance required hereunder shall provide that the insurance represented by the certificates shall not be cancelled, without the giving of thirty (30) days' prior written notice to the holders of the insurance required hereunder, Licensor may obtain the same and keep the insurance in effect, and Licensee shall pay Licensor the cost thereof plus a ten percent (10%) service charge to cover Licensor's administration costs within ten (10) days after receipt of an invoice. No policy (with the exception of earthquake and flood) will contain a deductible or self-insured retention in excess of \$25,000 without Licensor's prior written approval. If requested by Licensor, Licensee will promptly deliver to Licensor a certified copy of any certificate of insurance and insurance policies required by this License. The insurance carried by Licensee hereunder shall be primary and not contributory with any other insurance which is maintained by Licensor. All insurance which Licensee is required to maintain hereunder may be provided under a blanket policy provided such policy otherwise complies with the requirements of this License and is endorsed with an Aggregate Limits of Insurance (Per Location) endorsement.

The insurance required of Licensee above may be provided by Licensee or its contractor.

Exhibit B



RANDY GELLER
EMAIL: RGELLER@UOREGON.EDU

MAY 20, 2010

WHAT YOU SHOULD KNOW ABOUT YOUR PRELIMINARY TITLE REPORT

THE ATTACHED PRELIMINARY TITLE REPORT ("REPORT") WAS PREPARED BY CASCADE TITLE COMPANY AFTER RESEARCHING THE LANE COUNTY OREGON REAL PROPERTY DEED RECORDS. THE REPORT PROVIDES INFORMATION ABOUT TITLE TO THE REAL PROPERTY THAT IS THE SUBJECT OF THE PENDING TRANSACTION. PLEASE REVIEW THE REPORT CAREFULLY.

- THE REPORT SHOULD DESCRIBE ALL OF THE REAL PROPERTY THAT IS THE SUBJECT OF THE TRANSACTION.
- THE REPORT SHOULD CORRECTLY IDENTIFY THE OWNER OF THE SUBJECT REAL PROPERTY AND IDENTIFY THE PURCHASERS IF THE REAL PROPERTY IS BEING SOLD.
- THE REPORT SHOULD SET FORTH ALL 'SPECIAL EXCEPTIONS' TO TITLE TO THE REAL PROPERTY INCLUDING MONETARY LIEN ITEMS AND EASEMENTS; IF YOU KNOW OF ANY SPECIAL EXCEPTIONS NOT LISTED IN THE REPORT PLEASE CONTACT US.
- SOME SPECIAL EXCEPTIONS WILL REMAIN AFTER CLOSE OF ESCROW AND OTHERS WILL BE REMOVED AT CLOSE OF ESCROW. SOME SPECIAL EXCEPTIONS, SUCH AS TAXES OR MONETARY LIEN ITEMS, ARE TYPICALLY ELIMINATED AT CLOSE OF ESCROW. OTHER SPECIAL EXCEPTIONS, SUCH AS COVENANTS & RESTRICTIONS AND EASEMENTS, TYPICALLY REMAIN AS SPECIAL EXCEPTIONS IN THE TITLE INSURANCE POLICY, PLEASE REVIEW THE SPECIAL EXCEPTIONS AND ADVISE US WHICH ARE TO BE REMOVED - THIS WILL ASSIST IN CLOSING YOUR TRANSACTION IN A TIMELY MANNER.

AFTER YOUR REVIEW OF THE PRELIMINARY TITLE REPORT PLEASE CONTACT US SHOULD YOU HAVE ANY QUESTIONS OR IF WE CAN BE OF FURTHER ASSISTANCE. THANK YOU FOR THE OPPORTUNITY TO ASSIST YOU IN THIS TRANSACTION.

CASCADE TITLE CO.

811 Willamette Street ♦ Eugene, Oregon 97401
phone: (541) 687-2233 ♦ fax: (541) 485-0307 ♦ email: info@cascadetitle.com
1901 Hwy 101 – Suite 2 ♦ Florence, Oregon 97439
phone: (541) 997-8417 ♦ fax: (541) 997-8246 ♦ email: florence@cascadetitle.com



STATUS OF RECORD TITLE REPORT

UNIVERSITY OF OREGON
ATTN: DEB DONNING
1226 UNIVERSITY OF OREGON
EUGENE, OR 97403
EMAIL: DJM@UOREGON.EDU

Our No: CT-0266473
Date: MAY 20, 2010
Charge: \$300.00

As requested, Cascade Title Co. has searched our tract indices as to the following described real property:

(ATTACHED)

and as of: MAY 17, 2010 AT 8:00 A.M., we find the following:

Vestee:

THE STATE OF OREGON
acting by and through its STATE BOARD OF HIGHER EDUCATION
on behalf of the UNIVERSITY OF OREGON

Said property is subject to the following on record matters:

- 1. City liens, as levied by the City of Eugene for sewer, Account No. DM - 2009001181030, in the amount of \$4,742.18, plus interest.
2. Any improvement located upon the insured property which is described or defined as a mobile home under the provisions of Chapters 803 and 820, Oregon Revised Statutes and is subject to registration as provided therein. (Account No. 4085682, Assessed to Bartzat Leasing Co.)
3. Power line easement, including the terms and provisions thereof, as granted to City of Eugene, by instrument recorded December 30, 1924, in Book 141, Page 512, Lane County Oregon Deed Records.
4. Power line easement, including the terms and provisions thereof, as granted to City of Eugene, by instrument recorded October 24, 1937, in Book 194, Page 35, Lane County Oregon Deed Records.
5. Pipe line and power line easement, including the terms and provisions thereof, as granted to City of Eugene, by instrument recorded October 2, 1947, in Book 359, Page 341, Lane County Oregon Deed Records, and modified by Partial Reconveyance of Easement, including the terms and provisions thereof, recorded June 4, 2002, Reception No. 2002-043028, Lane County Deeds and Records.
6. Reservations, including the terms and provisions thereof, as set forth in instrument from the State Land Board to the State of Oregon, by and through its State Highway Commission, recorded June 21, 1955, Reception No. 59325, Lane County Oregon Deed Records.

continued-

MAIN OFFICE * 811 WILLAMETTE ST. * EUGENE, OREGON 97401 * PH: (541) 687-2233
FLORENCE * 1901 HWY 101 - S. 2 * FLORENCE, OREGON 97439 * PH: (541) 997-8417
EUGENE FAX: 485-0307 * E-MAIL: info@cascadetitle.com * FLORENCE FAX: 997-8246

7. Access restrictions, including the terms and provisions thereof, contained in Deed from State of Oregon, by and through its State Highway Commission, to State of Oregon, acting by and through its State Board of Higher Education, on behalf of the University of Oregon, as set forth in instrument recorded June 29, 1960, Reception No. 3334, Lane County Oregon Deed Records, to-wit:
 "Provided, however, there is reserved to the Grantor, and waived by the Grantee, all right of access between the above described real property and the right of way of the relocated Eugene-Springfield Highway and its connecting interchange legs abutting on the Northerly side of said Parcel 2, which public highway is further identified as State Highway No. 227. This reservation shall run with the land and shall not be subject to modification, cancellation or destruction by adverse user or estoppel, no matter how long continued. Nothing in this conveyance contained shall be construed as conveying any estate, right, title or interest in and to the public highway right of way or any rights of reversion therein or thereto."

8. The conditions and restrictions, including the terms and provisions thereof, contained in deed to The State of Oregon, acting by and through its State Board of Higher Education, recorded June 29, 1960, Reception No. 3334, Lane County Oregon Deed Records, as follows:
 "To have and to hold the said premises, with their appurtenances, unto the said Grantee, its successors and assigns, only so long as said property shall be used and continued to be used for public purposes, and in the event said property or any part thereof is used for purposes other than public, all of said property shall revert to the Grantor herein. Provided however, that the Grantee shall have the right and privilege at any time within five (5) years from the date hereof to convey all of the above described real property back to the Grantor, free and clear of any encumbrances placed thereof by the Grantee, and have refunded to it, the consideration paid herein; at which time all agreements between the parties conveying said real property shall be null and void. It is understood that if said property shall remain inactive, such inactivity shall not be construed as a violation of the condition that the property be used for public purposes."

9. Notice of site review agreement, including the terms and provisions thereof, recorded April 17, 1997, Reception No. 9725907, Lane County Official Records.

10. Restriction of access, including the terms and provisions thereof, contained in deed to Lane County, recorded July 13, 1965, Reception No. 10755, Lane County Oregon Deed Records.

11. Easement, including the terms and provisions thereof, granted Lane County, recorded February 26, 1982, Reception No. 8206123, Lane County Official Records.
 The interest of Lane County was released and quit claimed to the City of Eugene, by instrument recorded July 2, 2001, Reception No. 2001-040836, Lane County Deeds and Records.

12. Easement, including the terms and provisions thereof, granted The City of Eugene, recorded February 23, 1983, Reception No. 8305799, Lane County Official Records.

13. Notice of agreement, including the terms and provisions thereof, with the City of Eugene, recorded November 20, 1987, Reception No. 8751048, Lane County Official Records.

continued-

14. Revocable permit, including the terms and provisions thereof, granted by the City of Eugene, recorded August 5, 1991, Reception No. 9136909, Lane County Official Records.
15. Access restrictions, including the terms and provisions thereof, contained in deed from Lane County, to the State of Oregon, recorded July 13, 1965, Reception No. 10754, Lane County Oregon Deed Records.
16. Conditions and restrictions, including the terms and provisions thereof, contained in deed from Lane County to the State of Oregon, recorded July 13, 1965, Reception No. 10754, Lane County Oregon Deed Records.
17. Restrictions, including the terms and provisions thereof, to State of Oregon, set forth by instrument recorded December 12, 1961, Reception No. 53067, Lane County Oregon Deed Records, to-wit:

"Subject, however, to such rights of way for ditches, canals, and reservoir sites for irrigation purposes as may have been reserved by the United States or otherwise, Reserving to the State of Oregon, all coal, oil, gas and other minerals including sand, gravel, and rock, in said above described lands, together with the right to prospect for, mine and remove the same. This deed is executed and delivered by the grantor and title is acquired by the grantee subject to the expressed condition that said premises described herein shall at all times be used for public purposes and benefit only. Failure on the part of the grantee, its successors and assigns to comply with this provisions shall cause the title hereby conveyed to revert to the grantor immediately and unconditionally and without act of re-entry by the grantor and without any right of grantee for reclamation or compensation for money paid."
18. Conditions and restrictions, including the terms and provisions thereof, imposed by instrument recorded February 27, 1961, Reception No. 24438, Lane County Oregon Deed Records, to-wit:

"It is made a provision herein that the above described property is to be used for public purposes."
19. Easement for transmission lines, including the terms and provisions thereof, as granted by F. B. Chase, et al., to City of Eugene, Oregon, a municipal corporation, by and through the Eugene Water Board, dated September 16, 1937, recorded October 5, 1937, in Book 194, Page 5, Reception No. 55055, Lane County Oregon Deed Records.
20. Easement for transmission lines, including the terms and provisions thereof, as granted by the State of Oregon, acting by and through its State Land Board, to the City of Eugene, Oregon, a municipal corporation of Lane County, Oregon, for the use and benefit of the Eugene Water & Electric Board, dated October 18, 1957, recorded November 7, 1957, Reception No. 25337, Lane County Oregon Deed Records.
21. Reservations, conditions and restrictions, including the terms and provisions thereof, contained in deed from the State of Oregon, by and through the State Land Board, to Lane County, recorded December 12, 1961, Reception No. 53067, Lane County Oregon Deed Records.

continued-

22. Easement, including the terms and provisions thereof, granted Lane County, recorded September 25, 1995, Reception No. 9553680, Lane County Official Records.
The interest of Lane County was released and quit claimed to the City of Eugene by instrument recorded July 2, 2001, Reception No. 2001-040835, Lane County Deeds and Records.
23. Easement, including the terms and provisions thereof, granted the City of Eugene, recorded January 15, 1960, Reception No. 88375, Lane County Oregon Deed Records.
24. Intergovernmental agreement, including the terms and provisions thereof, dated January 12, 1982, as disclosed by deed recorded April 1, 1982, Reception No. 8209537, Lane County Official Records.
25. Restriction of access, including the terms and provisions thereof, contained in deed to State of Oregon, recorded April 26, 1957, Reception No. 11480, Lane County Oregon Deed Records.
26. Conditions, restrictions and reversion, including the terms and provisions thereof, contained in Deed from the State of Oregon, active by and through its State Highway Commission, to the State of Oregon acting by and through its Board of Higher Education on behalf of the University of Oregon, recorded March 20, 1963, Reception No. 3791, Lane County Oregon Deed Records.
27. Notice of Willamette Greenway Agreement, including the terms and provisions thereof, between the University of Oregon, and the City of Eugene, recorded June 4, 2001, Reception No. 2001-033632, Lane County Deeds and Records.
28. Conditions and restrictions, including the terms and provisions thereof, as contained in Deed from Lane County, a political subdivision of the State of Oregon, to the City of Eugene, a municipal corporation of the State of Oregon, recorded July 2, 2001, Reception No. 2001-040835, Lane County Deeds and Records, to-wit:
"This grant is conditioned upon the herein-conveyed parcel being used for public purposes for a period not less than 20 years from the date of this conveyance. Should this property be used for other than public purposes during said 20 year period, the interest of the recipient shall automatically terminate and ownership shall revert to Lane County."
29. Conditions and restrictions, including the terms and provisions thereof, as contained in Deed from Lane County, a political subdivision of the State of Oregon, to the City of Eugene, a municipal corporation of the State of Oregon, recorded July 2, 2001, Reception No. 2001-040836, Lane County Deeds and Records, to-wit:
"This grant is conditioned upon the herein-conveyed parcel being used for public purposes for a period not less than 20 years from the date of this conveyance. Should this property be used for other than public purposes during said 20 year period, the interest of the recipient shall automatically terminate and ownership shall revert to Lane County."

continued-

30. Financing Statement recorded May 30, 2000, Reception No. 2000-030572, Lane County Deeds and Records, lists the State of Oregon acting by and through its State Board of Higher Education, as Debtor, and Associates Commercial Corporation, as Creditor, with security information obtainable from creditor.
 Said Financing Statement was amended by instrument recorded October 24, 2003, Reception No. 2003-104578, Lane County Deeds and Records.
 Said Financing Statement was extended by continuation statement recorded April 14, 2005, Reception No. 2005-026683, Lane County Deeds and Records.
 Said Financing Statement was duly assigned of record to Citicapital Commercial Corporation, by instrument recorded May 16, 2005, Reception No. 2005-035093, Lane County Deeds and Records.
31. Easement, including the terms and provisions thereof, granted the City of Eugene, Lane County, Oregon, by and through the Eugene Water & Electric Board (EWEB), by instrument recorded April 17, 2002, Reception No. 2002-030137, Lane County Deeds and Records.
32. Notice of Operations and Maintenance Plan, including the terms and provisions thereof, recorded September 12, 2008, Reception No. 2008-051468, Lane County Deeds and Records.
33. Notice of Willamette Greenway Permit Approval, including the terms and provisions thereof, recorded April 2, 2009, Reception No. 2009-016840, Lane County Deeds and Records.
34. Notice of Willamette Greenway Permit Approval, including the terms and provisions thereof, recorded April 23, 2009, Reception No. 2009-021292, Lane County Deeds and Records.
35. Notice of Variance Approval, including the terms and provisions thereof, recorded February 25, 2010, Reception No. 2010-009348, Lane County Deeds and Records.
36. Power line easement, including the terms and provisions thereof, granted Mountain States Power Company, by instrument recorded August 7, 1952, Reception No. 81933, Lane County Oregon Deed Records.

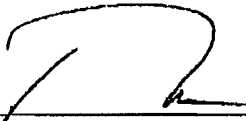
NOTE: Taxes, Account No. 0248896, Assessor's Map No. 17 03 29 4 0, #301, Code 4-00, 2009-2010, EXEMPT.
 Taxes, Account No. 1543691, Assessor's Map No. 17 03 29 4 0, #301, Code 4-00, 2009-2010, in the amount of \$4,365.65, PAID IN FULL.
 Taxes, Account No. 1449048, Assessor's Map No. 17 03 28 3 0, #1102, Code 4-00, 2009-2010, EXEMPT.
 Taxes, Account No. 1386406, Assessor's Map No. 17 03 28 3 0, #1500, Code 4-00, 2009-2010, EXEMPT.

continued-

This report is to be utilized for information only. This report is not to be used as a basis for transferring, encumbering or foreclosing the real property described.

The liability of Cascade Title Co. is limited to the addressee and shall not exceed the premium paid hereunder.

CASCADE TITLE CO., by:



ar/Title Officer: KURT BEATY

Cc: RANDY GELLER
EMAIL: RGELLER@UOREGON.EDU

PROPERTY DESCRIPTION

PARCEL 1:

A parcel of land lying in Sections 28 and 29, Township 17 South, Range 3 West, Willamette Meridian, Lane County, Oregon, and being a portion of that property described in that certain deed to State of Oregon, by and through its State Highway commission, recorded on Reel No. 58-55d, Reception No. 55609, Lane County Oregon Deed Records; the said parcel being described as follows: Beginning at the most Westerly corner of said property at a point which is 1001.03 feet South and 389.49 feet West of the Southwest corner of County Survey No. 1781, and running thence South 51' 23' 10" East, 205.33 feet; thence South 47' 07' 10" East, 251.46 feet; thence South 68' 45' 10" East, 207.24 feet; thence South 68' 56' 20" East, 330.85 feet; thence South 63' 57' 10" East, 376.04 feet; thence South 62' 57' 30" East, 331.04 feet; thence South 62' 48' 30" East, 570.23 feet to a 3/4 inch galvanized iron pipe; thence North 2' 36' 30" East, 77.85 feet; thence South 63' 15' East, 153.20 feet; thence South 52' 15' East, 55.44 feet; thence South 31' 15' East, 86.46 feet; thence South 30' 15' East, 207.24 feet; thence South 45' 45' West, 36.30 feet to the South line of Section 29, thence along said section line, South 87' 51' East, 268.41 feet to a concrete monument set by Simon Kloydahl; thence North 63' 45' East, 1164.90 feet; thence North 17' 30' West, 569.67 feet; thence North 87' 26' 50" West, 521.81 feet to a concrete monument; thence North 60' 22' 30" West, 314.40 feet to a concrete monument; thence North 88' 55' West, 630.63 feet to a concrete monument; thence North 1' 22' 10" East, 492.68 feet; thence South 88' 57' 10" West, 1486.93 feet; thence South 81' 31' 50" West, 222.69 feet; thence South 47' 29' 20" West, 437.46 feet to the place of beginning, in Lane County, Oregon;

(Bearings used herein are based upon the Oregon Co-ordinate System, South Zone.)

EXCEPT all that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded July 13, 1965, Reception No. 10755, Lane County Oregon Deed Records, in Lane County, Oregon;

ALSO EXCEPT that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded July 14, 1977, Reception No. 7743615, Lane County Official Records, in Lane County, Oregon;

ALSO EXCEPT that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded February 26, 1982, Reception No. 8206122, Lane County Official Records, in Lane County, Oregon;

ALSO EXCEPT that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded September 25, 1995, Reception No. 9553678, Lane County Official Records, in Lane County, Oregon;

ALSO EXCEPT that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded September 25, 1995, Reception No. 9553679, Lane County Official Records, in Lane County, Oregon.

continued-

PROPERTY DESCRIPTION continued-

PARCEL 2:

Beginning at a point which is 1244.31 feet North and 287.09 feet West from the concrete monument set (in survey by Simon Klovdahl) on the South line of Section 28, Township 17 South, Range 3 West, Willamette Meridian, 71.16 feet South 87° 51' East from the point for the Southwest corner of said Section 28, from said beginning monument running thence North 1° 22' 10" East 462.63 feet; thence North 88° 57' 30" East 610.68 feet; thence South 84° 37' 30" East 276.11 feet; thence South 14° 00' 30" East 648.01 feet; thence North 87° 26' 50" West 414.59 feet; thence North 60° 22' 30" West 314.40 feet; thence North 88° 53' West 366.03 feet to the place of beginning, in Lane County, Oregon;

EXCEPT THEREFROM that portion lying within the bounds of that tract conveyed to the City of Eugene by instrument recorded October 27, 1947, in Book 359, Page 339, Lane County Oregon Deed Records, described as: "Beginning at a point 60.49 chains South and 3.40 chains North 88° 45' East from the Northeast corner of Section 29, Township 17 South, Range 3 West, Willamette Meridian; thence running North 88° 45' East 11.00 chains to the West edge of the slough; thence South 19° 15" East along the bank of said slough 50.5 feet to the true point of beginning; thence continuing South 19° 15' East along the bank of said slough 114.5 feet; thence West 204.0 feet along the South boundary of a two acre tract conveyed to E. B. Oldham, et ux., as described and recorded in Book 161, Page 263, Lane County Oregon Deed Records; thence North 57° 13' East 198.3 feet to the true point of beginning, together with all rights which may have accrued to lands owned by E. B. Oldham, et ux., to a strip of land 60 feet in width extending North 56° 58' East from the Easterly boundary of the above described parcel of land into or across the meandered channel formerly channel formerly occupied by the Willamette River," in Lane County, Oregon,

(Bearings used herein are based upon the Oregon Co-ordinate System, South Zone.)

PARCEL 3:

Beginning at a concrete monument which is 1249.47 feet North and 551.64 feet West from the concrete monument set (in survey by Simon Klovdahl) on the South line of Section 28, Township 17 South, Range 3 West of the Willamette Meridian, 71.16 feet South 87° 51' East from the point for the Southwest corner of said Section 28, from said beginning monument, running thence North 1° 22' 10" East 452.66 feet; thence North 88° 57' 30" East 264.83 feet; thence South 1° 22' 10" West, 462.63 feet; thence North 88° 53' West 264.60 feet to the point of beginning, in Lane County, Oregon.

continued-

PROPERTY DESCRIPTION continued-

PARCEL 4:

Beginning at a point on the South line of Section 28, Township 17 South, Range 3 West, Willamette Meridian, 71.16 feet South, 87' 51' East from the point for the Southwest corner thereof (said beginning point being marked by a concrete monument set in a survey by Simon Klovdahl), and running thence North 63' 45' East, 1024.23 feet along the southeasterly line of the tract of land conveyed by that certain deed to the State of Oregon, acting by and through its State Board of Higher Education on behalf of the University of Oregon, recorded on Reel 155-60D, Reception No. 3334, Lane County Oregon Deed Records; thence South 14' 00' 30" East, 504.97 feet to the South line of said Section 28; thence North 07' 58' West 1041.50 feet to the place of beginning, all in Lane County, Oregon;

(Bearings used herein are based upon the Oregon co-ordinate System South Zone.)

EXCEPT all that portion lying Southerly of the Northerly right of way line of the Leo Harris Parkway described in deed to Lane County, a political subdivision of the State of Oregon, recorded September 25, 1995, Reception No. 9553678, Lane County Official Records, in Lane County, Oregon.

PARCEL 5:

A parcel of land lying in the Southwest one-quarter of Section 28 and the Southeast one-quarter of Section 29, Township 17 South, Range 3 West of the Willamette Meridian, and being a portion of the tract of land conveyed to Lane County, a political subdivision of the State of Oregon, by that certain deed recorded on Reel No. 855-R, Reception No. 7743615, Lane County Official Records, said parcel being described as follows: Beginning at the corner common to Sections 28, 29, 32 and 33, in Township 17 South, Range 3 West of the Willamette Meridian; thence run South 87' 51' East 71.16 feet to a concrete monument set by Simon Klovdahl; thence South 87' 58' 00" East 978.90 feet; thence North 14' 00' 30" West 314.16 feet; thence South 62' 04' 32" West 390.44 feet; thence along the arc of a 356.97 foot radius curve right (the long chord of which bears North 89' 48' 51" West 336.39 feet) a distance of 350.26 feet; thence North 61' 42' 14" West 445.09 feet; thence South 292.90 feet; thence South 87' 51' East 100.00 feet to the point of beginning, all in Lane County, Oregon;

EXCEPT all that portion lying Southerly of the Northerly right of way line of the Leo Harris Parkway described in deed to Lane County, a political subdivision of the State of Oregon, recorded September 25, 1995, Reception No. 9553678, Lane County Official Records, in Lane County, Oregon.

continued-

PROPERTY DESCRIPTION continued-

PARCEL 6:

A parcel of land lying in the Southwest one-quarter of Section 28, Township 17 South, Range 3 West, Willamette Meridian, and being a portion of the tract of land conveyed to Lane County, Oregon, by that certain deed recorded on Reel No. 269, Reception No. 10754, Reel No. 168, Reception No. 24438, Reel No. 269, Reception No. 10755, Reel No. 184, Reception No. 53067, Reel No. 137, Reception No. 74415, and Reel No. 40, Reception No. 32563, Lane County Oregon Deed Records, said parcel being described as follows: Beginning at a point on the Southerly right-of-way of Centennial Blvd. (County Road No. 1304) said point being South 695.22 feet and East 2789.73 feet of the Southwest corner of County Survey No. 1781, said beginning point being further described as being South 01' 02' 30" East 80 feet and South 84' 32' 30" East 276.69 feet of Centennial Blvd. Engineers Centerline Station L551+39.24 P.T.; thence from said point of beginning continuing along said right-of-way South 84' 32' 30" East 93.42 feet to a point Southerly and 80 feet opposite Centennial Blvd. Engineers Centerline Station L547+39.24 P.C.S.; thence along the arc of a 492.96 feet radius curve right (the chord of which bears South 52' 32' 23" East 313.03 feet) a distance of 318.62 feet East to a point Southerly and 80 feet opposite Engineers Centerline Station L543+68.91 P.S.C.; thence along the arc of a spiral curve right, the chord of which bears South 20' 25' 05" East 370.10 feet (said spiral curve being Southerly and 80 feet opposite and parallel to the 400 foot centerline spiral curve having an 'a' value of 2.5) to a point Southerly and 80 feet opposite Engineers Centerline Station L5 39+68.91 P.S.; thence South 14' 00' 30" East 465.81 feet, to a point Southerly and 80 feet opposite Engineers Centerline Station L535.03.10 P.T.; thence along the arc of a spiral curve left, the chord of which bears South 16' 19' 5" East 242.43 feet (said spiral curve being Southerly and 80 feet opposite and parallel of the centerline 400 foot spiral curve having an 'a' value of 2.5) to a point Southerly and 80 feet opposite Engineers Centerline Station L5 32+70 P.O.S.; thence South 62' 04' 32" West 344.33 feet to the Easterly boundary of a tract of land; thence along the Easterly line of said tract of land North 14' 00' 30" West 1434.63 feet to the point of beginning, in Lane County, Oregon;

(Bearings used herein are based upon the Oregon co-ordinate System South Zone.)

EXCEPT all that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded September 25, 1995, Reception No. 9553678, Lane County Official Records, in Lane County, Oregon;

ALSO EXCEPT all that portion described in deed to Lane County, a political subdivision of the State of Oregon, recorded September 25, 1995, Reception No. 9553679, Lane County Official Records, in Lane County, Oregon;

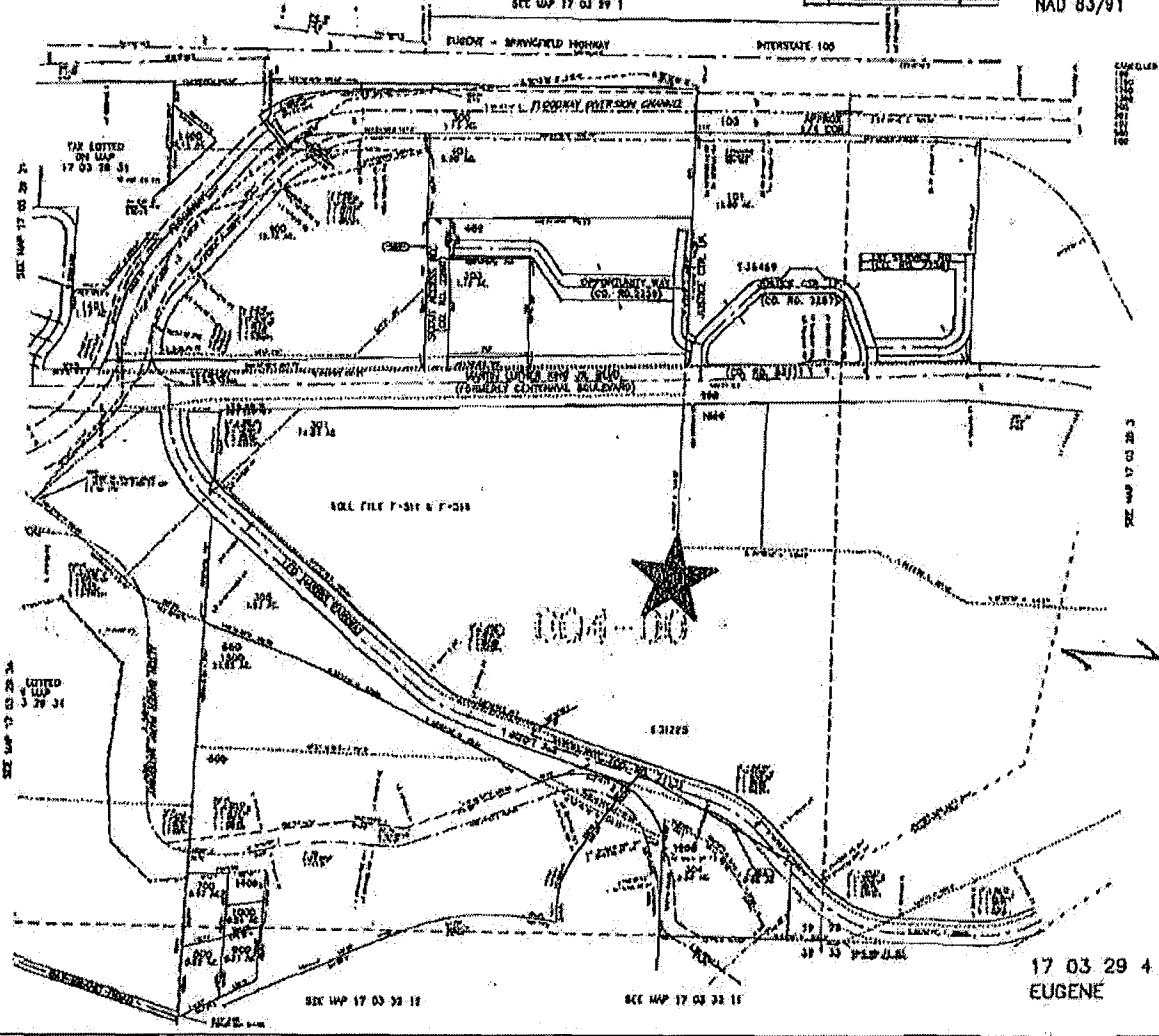
ALSO EXCEPT that portion lying within the bounds of that tract conveyed to the City of Eugene, by instrument recorded October 27, 1947, in Book 359, Page 339, Lane County Oregon Deed Records, described as: "Beginning at a point 60.49 chains South and 3.40 chains North 88' 45' East from the Northeast corner of Section 29, Township 17 South, Range 3 West, Willamette Meridian; thence running North 88' 45' East 11.00 chains to the West edge of the slough; thence South 19' 15" East along the bank of said slough 50.5 feet to the true point of beginning; thence continuing South 19' 15" East along the bank of said slough 114.5 feet; thence West 204.0 feet along the South boundary of a two acre tract conveyed to E. B. Oldham, et ux., as described and recorded in Book 161, Page 263, Lane County Oregon Deed Records; thence North 57' 13' East 198.3 feet to the true point of beginning, together with all rights which may have accrued to lands owned by E. B. Oldham, et ux., to a strip of land 60 feet in width extending North 56' 58' East from the Easterly boundary of the above described parcel of land into or across the meandered channel formerly channel formerly occupied by the Willamette River," all in Lane County, Oregon.

THIS MAP IS TO ASSIST LOCATING
PROPERTY. THE COMPANY ASSUMES
NO LIABILITY FOR INACCURACIES.

FOR ASSESSMENT
AND TAXATION
ONLY

S.E.1/4 SEC.29, T.17S. R.3 W.W.M.
LANE COUNTY
SCALE 1" = 300'

17 03 29 4
EUGENE
MAD 83/91



17 03 29 4
EUGENE

THIS MAP IS TO ASSIST LOCATING
PROPERTY. THE COMPANY ASSUMES
NO LIABILITY FOR INACCURACIES.

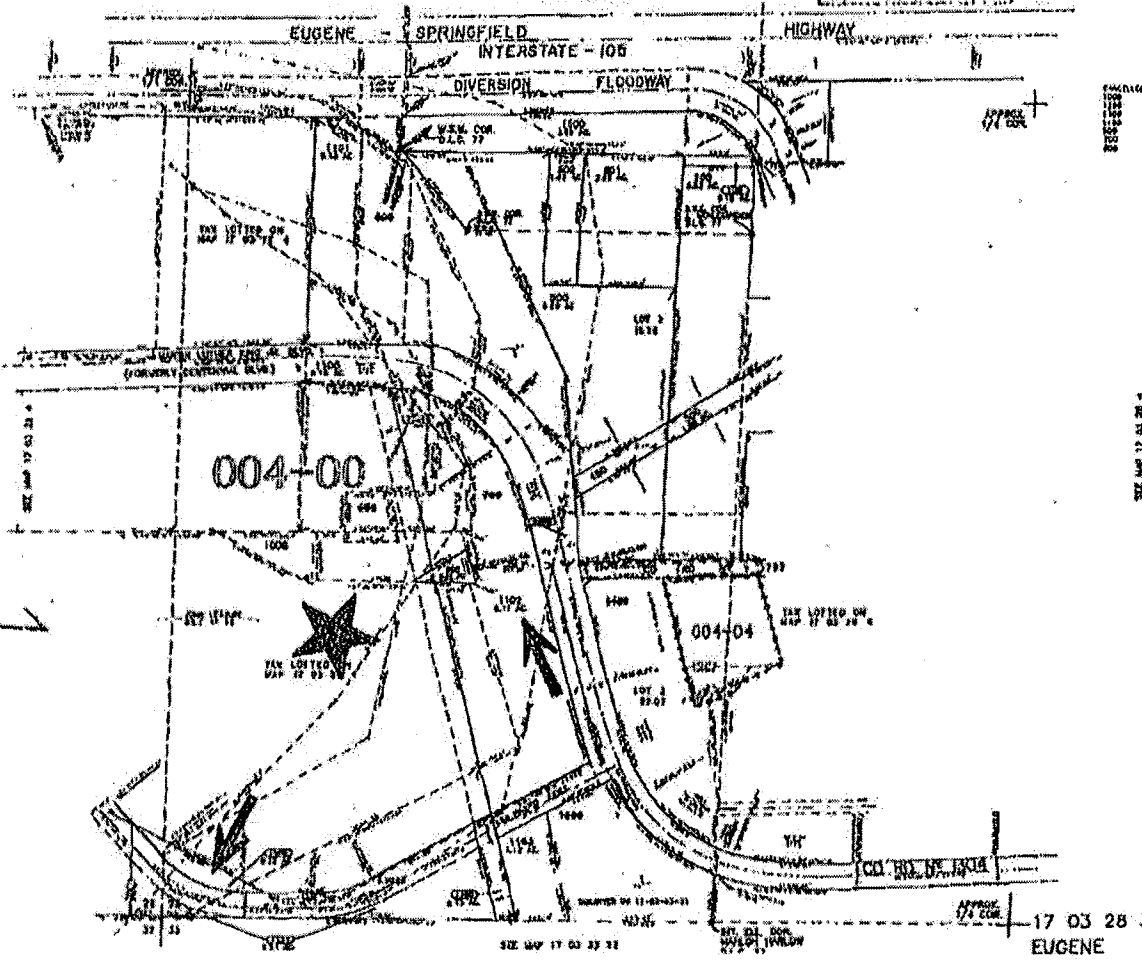
FOR ASSESSMENT
AND TAXATION
ONLY

S.W. 1/4 SEC. 28, T. 17S. R. 3 W.W.M.
LANE COUNTY

SCALE 1" = 200'

ME MAP 17 03 28 3

17 03 28 3
EUGENE
NAD 83/91



17 03 28 3
EUGENE



Agenda Item #4.2

Capital Improvement License Agreement: Hayward Field

Introduction

In the annals of American sport, one community is recognized as the heart and soul of track and field—and one iconic venue embodies its spirit and sustains its traditions. That community is Eugene, Oregon, and the venue is the legendary Hayward Field.

Hayward Field, initially constructed for football in 1919, has hosted 13 NCAA Outdoor Championships, more than any venue in modern history, and will hold its sixth U.S. Olympic Team Trials in 2016. In fact, Hayward Field is slated to host the NCAA Outdoor Championships through 2021 and is in consideration to host its seventh Olympic Team Trials in 2020. Also home to international competition, Hayward Field drew more than 1,500 athletes from 175 countries for the 2014 IAAF World Junior Championships, draws international athletes for the world-renowned Prefontaine Classic, and, in 2021, we anticipate that TrackTown Inc. will use Hayward Field to host the first IAAF World Outdoor Championships on American soil.

To continue this unparalleled track and field experience, Hayward Field requires extensive renovation. The renovation will be supported by private philanthropy, with no impact on the university operating budget.

As an independent, non-profit organization responsible for receiving, investing and distributing gifts to benefit the university, the UO Foundation created a single-member limited liability corporation for the purpose of renovating Hayward Field, Hayward Field Enhancement, LLC.

To effectively manage the renovation and its accompanying costs, the Board is asked to authorize UO's President to enter into a license or lease agreement with Hayward Field Enhancement, LLC so that Hayward Field renovations may be completed.

Project Overview

Renovation would begin in July 2016, following the U.S. Olympic Track and Field Trials. The renovation would be substantially complete prior to the 2017 NCAA Championships.

Preliminary plans and designs are underway. Hayward Field Enhancement, LLC anticipates working with Hoffman Construction and SRG Partnership, Inc. Hayward Field Enhancement, LLC intends to release plans and designs before the end of 2015.

Once construction begins, contracts will be open for bid. Prevailing wage rules applicable to UO and construction on UO owned or controlled property will apply.

The Hayward Field renovation will significantly enhance two major functions: spectating and training. The renovation will provide flexibility to increase seating up to 30,000 and will ensure the decades-old grandstands are updated for spectators. Preliminary renderings include a new west grandstand, removal of the Bowerman Building, and a new – larger, more modern – home for the Bowerman Sports Science Clinic that would triple the available academic research space.

Related Materials

A preliminary rendering is enclosed.



**Finance and Facilities Committee
Board of Trustees of the University of Oregon**

Resolution: Authorization to Enter into License or Lease Agreement

Whereas, Hayward Field is one of the most iconic track and field venues in sports history and serves as host to significant state, national and international events on the University of Oregon's (the "UO" or "University") campus;

Whereas, Hayward Field is in need of extensive renovation to enhance spectating and training;

Whereas, the renovation of Hayward Field will be supported by private philanthropy with no impact on the University's operating budget;

Whereas, the University of Oregon Foundation – an independent, non-profit organization responsible for receiving, investing and distributing gifts for the benefit of the University – has created a single-member limited liability corporation for the purpose of renovating Hayward Field known as Hayward Field Enhancement, LLC;

Whereas, Hayward Field Enhancement, LLC seeks to enter into a license or lease agreement with the University through which it would assume control of Hayward Field and associated campus property (collectively "Hayward Field") for purposes of managing the renovation and costs associated with enhancing Hayward Field;

Whereas, the specific license or lease agreement would be negotiated between the University and Hayward Field Enhancement, LLC when more certainty exists surrounding the design and overall project;

Whereas, that license agreement will stipulate that the license or lease agreement will be made available to the public, and that controlling public contracting laws and prevailing wage rules will apply to the project where appropriate;

Whereas, Sections 1.7.2 and 1.9 of the University of Oregon's Policy on the Retention and Delegation of Authority requires approval by the Board of Trustees (the "Board") for the execution of instruments relating to real property where the anticipated value exceeds \$5,000,000 and for the acceptance of a gift of real estate and/or gifts that create obligations on the part of the University for which there is no established funding source, respectively; and,

Whereas, the Board's Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board as a seconded motion;

Now, therefore, the Finance and Facilities Committee hereby refers to the Board of Trustees as a seconded motion, recommending passage:

1. RESOLVED, the Board authorizes the President or his designee(s) to take all actions necessary and proper to enter into a license or lease agreement with Hayward Field Enhancement, LLC for purposes of managing the completion of renovations to Hayward and associated costs;
2. RESOLVED, the Board authorizes acceptance of the gift of real property to the University from Hayward Field Enhancement, LLC which comes in the form of renovations to Hayward Field and any increased value to the licensed or leased property; and
3. RESOLVED, the Board authorizes all prior actions taken on behalf of the University related to the acceptance and use of the aforementioned real property.

Moved: _____

Seconded: _____

Trustee	Yes	No
Bragdon		
Colas		
Gary		
Gonyea III		
Kari		
Schill		

Dated: _____ of _____, 2015.

Initials: _____



Agenda Item #4.3

Academic building projects: Chapman Hall, College and
Careers Building, Klamath Hall

During the 2015 session, the Legislative Assembly approved for state bonding support for three University of Oregon projects.

1. Chapman Hall Renovation
2. Construction of a new College and Careers Building
3. Klamath Hall Renovation

The attached resolution now asks for Board approval to execute those projects. Board approval is required for each given that project costs will exceed \$5 million. Attached to the resolution as an exhibit is a high-level overview of each project, including estimated cost, state support, the required match, and funds raised to date.

The FFC will receive information about these projects during its committee meeting, and the full BOT will tour Chapman Hall and Klamath Hall to get a firsthand look at the projects and anticipated improvements.

Note: The BOT first heard about these projects in May 2014, prior to governance authority, so the information may be familiar.

**Finance and Facilities Committee
Board of Trustees of the University of Oregon**

**Resolution: Approval for Capital Construction Projects
(Chapman Hall, Klamath Hall, College & Careers Building)**

Whereas, the University of Oregon (“University”) seeks to create and maintain a 21st-century teaching and learning environment for faculty and students;

Whereas, the University wishes to modernize Chapman Hall, home to the nationally-recognized and historic Robert D. Clark Honors College, to provide greater accessibility, improve technological capabilities, address deferred maintenance and seismic upgrades, and increase study and learning space;

Whereas, the University wishes to build a new College and Careers Building to add much-needed classroom seating, house a re-envisioned UO career center, increase student retention and graduation rates, and support the College of Arts and Sciences College Scholars program;

Whereas, the University wishes to renovate Klamath Hall, home to much of the UO’s Department of Chemistry and Biochemistry – one of the fastest growing departments on campus, to address deferred maintenance, provide lab and learning space, help recruit and retain top-tier faculty, mitigate risks associated with 50-year old research facilities, and create space for enhanced innovation;

Whereas, ORS 352.107(1)(j)-(k) grant the University of Oregon the authority to engage in the construction, development, furnishing, equipping, and other actions relating to buildings and structures;

Whereas, the University received legislative support through the issuance of XI-G and XI-Q bonds for the three aforementioned capital construction projects during the 2015 legislative session; and,

Whereas, the Policy on the Retention and Delegation of Authority requires the Board of Trustees (the Board) to approve a capital project budget that is anticipated to exceed \$5,000,000, and the Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board as a seconded motion;

Now, therefore, the Finance and Facilities Committee of the Board of Trustees of the University of Oregon hereby refers the following to the Board of Trustees as a seconded motion, recommending passage:

- 1) APPROVAL of the capital construction projects listed above and outlined in attached Exhibits A, B and C;
- 2) RATIFICATION AND APPROVAL of all prior actions taken on behalf of the University related to the planning, design and construction of these projects; and,
- 3) AUTHORIZATION of the President of the University or his designee(s) to take all actions necessary and appropriate to execute these projects.

--Vote recorded on the following page --

Moved: _____

Seconded: _____

Trustee	Yes	No
Bragdon		
Colas		
Gary		
Gonyea III		
Kari		
Schill		

Dated: ____ of _____, 2015.

Initials: _____

Exhibit A



Artist's concept of the renovated Chapman Hall interior

Support the Modernization of Chapman Hall

Creating a 21st-century learning environment for Oregon's future leaders

This project will

- prepare students for 21st-century jobs by modernizing the technological capabilities of the building
- create a more functional learning environment by redesigning classrooms to be more accessible and capable of fostering collaborative work
- add more study and learning spaces to enhance student opportunities
- address critical issues such as deferred maintenance and overdue seismic upgrades
- increase the energy efficiency of the building to increase the longevity of the building

Chapman Hall is home to the UO's Robert Donald Clark Honors College, which serves about 700 students, 80 percent of whom are Oregonians. The honors college prides itself on offering many of Oregon's best students (3.91 average GPA or higher) a modern, high-quality, and affordable education here at home.

Chapman Hall has changed little since its construction in 1939, with only piecemeal updates to accommodate new technologies and adapt to modern student needs. This renovation will help work toward Oregon's 40-40-20 goals and attract and retain Oregon's top-tier students.

ESTIMATED COST: \$10.67 MILLION

DONOR AND OTHER FUND MATCH: \$2.55 MILLION

FUNDS RAISED TO DATE: \$2.55 MILLION

CAPITAL APPROVED: \$2.55 MILLION IN BONDS \$5.57 MILLION IN XI-Q BONDS

"The Chapman Hall renovation will answer the needs of new generations of students who enter our doors seeking the best, most affordable education they can find."

— Terry L. Hunt, Dean
Robert Donald Clark Honor College

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Exhibit B



The UO College and Careers Building

Build a new space to connect Oregon students with Oregon jobs

The College and Careers Building will

- add 450 much-needed classroom seats, supporting student access and course availability
- link UO students to high paying jobs and Oregon industry by serving as the home for a new, reenvisioned UO career center
- help recruit and retain top tier faculty members, offering high-quality teaching spaces and research offices at the core of campus
- increase recruitment, retention, and graduation rates for a diverse range of students
- support Oregon's best and brightest as home to the College of Arts and Sciences College Scholars program

The College and Careers Building project will enhance student recruitment, retention, graduation, and future success by merging core academic activities with advising on career opportunities. The 50,000-square-foot building will provide much-needed classrooms at the core of campus, a home for the University of Oregon's College of Arts and Sciences, and a home for the Career Center. Co-locating the UO Career Center with the main core of UO's largest undergraduate college, the College of Arts and Sciences, will provide students direct access to career advising, preparation workshops, and Oregon employers. It will also provide Oregon employers greater access to UO talent.

ESTIMATED COST: \$34.55 MILLION
DONOR AND OTHER FUND MATCH: \$17.275 MILLION
FUNDS RAISED TO DATE: \$11 MILLION
CAPITAL APPROVED: \$17.275 MILLION G-BONDS

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“The College and Careers Building will create new connections between UO students and Oregon employers, while helping more students to succeed and graduate on time.”

— Scott Coltrane, Provost, University of Oregon



Exhibit C



Current lab space (left) is often small and requires students to work in cramped quarters, causing safety concerns. The Klamath Hall renovation will provide students state-of-the-art new labs and learning spaces. (Artist's rendering above.)

Renovate Klamath Hall

Provide a modern, safe space for innovation and learning

This modernization of Klamath Hall will

- address deferred maintenance in a critical research facility that houses UO's award-winning and innovative chemistry and biochemistry departments
- provide lab and learning space to equip students with skills for jobs in science and technology
- help the UO recruit talented new researchers in the sciences
- mitigate the risks associated with 50-year-old research facilities
- create space for innovation, leading to economic development, licensing activity, and company formation

The University of Oregon Department of Chemistry and Biochemistry is one of the most productive and fastest growing departments on the UO campus. Since the mid-2000s, undergraduate enrollment has increased by 30–40 percent and graduate numbers are up about 20 percent. This growth requires new faculty offices and research space. This project converts all of the lab space on the third floor of Klamath Hall into state-of-the-art laboratories and builds a new fourth floor of Klamath Hall for faculty and student offices, classrooms, and study spaces. It will provide space for this growing demand in the sciences, while helping to keep Oregon students safe by addressing critical deferred maintenance.

ESTIMATED COST: \$18.65 MILLION

DONOR AND OTHER FUND MATCH: \$6.325 MILLION

FUNDS IDENTIFIED TO DATE: \$6.325 MILLION-REVENUE

BONDS

CAPITAL APPROVED: \$6.325 MILLION XI-G, \$6 MILLION XI-Q

“Oregon needs these spaces to continue to grow its high-tech workforce and to produce groundbreaking research that translates into companies and jobs.”

— Darren Johnson, UO researcher and entrepreneur, cofounder of SupraSensor LLC



Agenda Item #5

FY16 Budget

The Board of Trustees has the responsibility for approving a budget and related expenditure authorizations for each fiscal year. The fiscal year (FY) began on July 1, 2015. In June, the Board approved a budget and related expenditure authorizations for both operating and capital costs at a level equal to FY2015 with an expectation of revisiting a more final budget and authorizations vote in September.

The flat authorization request was due to the fact that, as of the June meeting, there were certain unknown factors that will impact a final budget proposal. These included items such as the final determination of state appropriation, approval of legislatively-authorized bonds for capital projects, FY16 PEBB rates, and the completion of collective bargaining.

Some, but not all, of these items have since become known or resolved. However, still uncertain (at the time of this writing) are final labor costs, which cannot be determined until the completion of a collective bargaining agreement with SEIU Local 503.

As a result, the Vice President for Finance and Administration/CFO recommends passage of an updated FY2016 budget and related authorizations, with an understanding that additional modifications may be requested in December. Due to the timing of a September 8-9 bargaining session with SEIU Local 503, the attached resolution does not yet contain recommended amounts. The resolution is included for your general review; recommended numbers will be provided as soon as possible following the September 9 session (likely the morning of September 10).

This updated recommendation will be based on all known cost factors for FY2016 plus management's latest offer in the current bargaining session.

**Finance and Facilities Committee
Board of Trustees of the University of Oregon**

Motion Adopting FY2016 Budget and Expenditure Authorizations

Whereas, ORS 352.102(1) provides that, except as set forth within ORS 352.102, the Board of Trustees may authorize, establish, collect, manage, use in any manner and expend all revenue derived from tuition and mandatory enrollment fees;

Whereas, ORS 352.107(1)(a) provides that the Board of Trustees may acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and invest all moneys, appropriations, gifts, bequests, stock and revenue from any source;

Whereas, ORS 352.107(1)(i) provides that the Board of Trustees may, subject to limitations set forth in that section, spend all available moneys without appropriation or expenditure limitation approval from the Legislative Assembly;

Whereas, ORS 352.107(2) requires, and the Board of Trustees finds, that the budget of the University of Oregon be prepared in accordance with generally accepted accounting principles;

Whereas, 352.107(1)(c) provides that the Board of Trustees may perform any other acts that in the judgment of the Board of Trustees are required, necessary or appropriate to accomplish the rights and responsibilities granted to the Board and the University by law;

Whereas, the Board of Trustees cannot approve a final fiscal year 2016 budget and expenditure authorization until all relevant information is available regarding FY16 expenses (e.g. the completion of collective bargaining, finalized employment costs), but wishes to update the temporary FY16 budget approved in June 2015; and

Whereas, the Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board of Trustees as a seconded motion.

Now, therefore, the Finance and Facilities Committee of the Board of Trustees of the University of Oregon refers the following to the Board as a second motion, recommending their adoption:

1. RESOLVED, an operating budget in the sum of \$_____ is adopted for fiscal year 2016. During fiscal year 2016, the Treasurer of the University may expend or authorize the expenditure of this sum plus three percent, subject to applicable law. In the event that such expenditure authority is insufficient, the Treasurer may seek additional expenditure authority from the Executive and Audit Committee of the Board of Trustees.
2. RESOLVED, a capital budget in the sum of \$_____ is adopted for fiscal year 2016. During fiscal year 2016, the Treasurer of the University may expend or authorize the expenditure of this sum plus three percent, subject to applicable law. In the event that such expenditure authority is insufficient, the Treasurer may seek additional expenditure authority from the Executive and Audit Committee of the Board of Trustees.

3. RESOLVED, the Treasurer may provide for the further delegation of the authority set forth in paragraphs 1 and 2.

Moved: _____

Seconded: _____

Trustee	Yes	No
Bragdon		
Colas		
Gary		
Gonyea III		
Kari		
Schill		

Dated this ___ day of ____, 2015.

Initials: _____



Agenda Item #6

Tuition and Fees

- #6.1: Earlier student input in the tuition-setting process
- #6.2: Tuition Guarantee Concept



Agenda Item #6.1

Tuition and Fees

Earlier student input in the tuition-setting process

Summary of Proposed Action

In December 2011, pursuant to ORS 352.102(2), the Board of Trustees established process by which the University of Oregon will establish tuition and fees each year. This board policy included five key process points: use of an advisory group, specific considerations, opportunity for public review and comment, student input through a forum, and a recommendation submitted to the Board of Trustees.

Tuition and fees for the upcoming academic year were set in March 2015. Following the process used throughout the fall of 2014 and winter of 2015 to accomplish this, several stakeholders offered feedback – and the administration agreed – that student input should have been far earlier in the process, prior to the establishment of any recommendations.

The attached resolution is a change proposed by the administration to the board policy passed in December. Proposed changes are only in the student forum section of the policy. The intent of these edits (shown in redline below) is to ensure that student feedback is solicited early in the process and is thus available to the advisory group as it generates recommendations for the President.

The changes below were posted online and distributed to the president of the ASUO so that she could, in turn, seek input from her respective leadership team and membership.

Original language, adopted December 11, 2015:

3. Student Forum. The President or his/her designee shall hold an open forum with students to discuss recommended tuition and mandatory fees. ASUO shall have the opportunity to participate in the planning and convening of this public meeting.

Proposed amendments to the original language:

3. Student Forum. The President or his/her designee shall hold an open forum with students early in the tuition and fee development process each year such that students are given an opportunity to provide input into the process before recommendations are developed. ~~to discuss recommended tuition and mandatory fees.~~ The ASUO shall have the opportunity to participate in the planning and convening of this public meeting.

**Finance and Facilities Committee
Board of Trustees of the University of Oregon**

Resolution: Amendment to the Tuition- and Fee-Setting Process (Earlier Student Input)

Whereas, ORS 352.102(2) requires the Board of Trustees of the University of Oregon (the “Board”) to establish a process for determining tuition and mandatory enrollment fees pursuant to the authority granted in ORS 352.102(1);

Whereas, the Board of Trustees first adopted such a process in December 2014 and now wishes to make adjustments to ensure that student input is solicited and available earlier in the process so that it can be taken into consideration as the advisory group develops recommendations;

Whereas, this resolution amends only part three (3) of the process components and does not alter any other section or language;

Whereas, the Board’s Policy on Committees authorizes the Finance and Facilities Committee to refer matters to the full Board of Trustees as a seconded motion;

Now, therefore, the Finance and Facilities Committee of the Board of Trustees of the University of Oregon hereby refers to the Board of Trustees as a seconded motion, and recommends its approval, the following:

RESOLVED, that the University shall annually establish tuition and mandatory enrollment fees pursuant to a process specified and managed by the President and that such a process must include the following components:

1. Advisory Group. The University President (the “President”) or his/her designee shall convene an advisory group comprised of faculty, students (including both undergraduate and graduate representation), and staff. This advisory group shall make a recommendation to the President regarding tuition and mandatory fee rates for each academic year, and it may generally advise the President on matters relating to tuition and fees. The President will consider the advisory group’s recommendations, along with other information the President deems relevant, when preparing his/her recommendations to the Board. Membership of the group is at the discretion of the President or his/her designee, however the President shall include two students nominated by the Associated Students of the University of Oregon (ASUO).
2. Considerations. In making recommendations to the President, the advisory group shall consider (i) historical tuition and fee trends; (ii) comparative data for peer institutions; (iii) the University’s budget and projected cost increases; and (iv) anticipated state appropriation levels.
3. Student Forum. The President or his/her designee shall hold an open forum with students early in the tuition and fee development process each year such that students are given an opportunity to provide input into the process before recommendations are developed. The ASUO shall have the opportunity to participate in the planning and convening of this public meeting.
4. Opportunity for Review and Comment. The President shall provide an opportunity for public review of and comment about the tuition and mandatory fees recommendation prepared for the Board. Based on information received from the public review and comment, and other information the President

deems relevant, the President may modify his/her recommendations before submitting them to the Board.

5. Recommendations Submitted to the Board. The President shall submit to the Board a written report outlining recommended tuition and mandatory enrollment fees. The report must be submitted with sufficient time for analysis and feedback prior to the meeting at which the Board will consider tuition and fees each year. "Sufficient time" shall be determined by the University Secretary.

FURTHER RESOLVED, the Board hereby resolves that the President and the president of the ASUO shall submit to the Board a joint written report recommending the authorization, establishment, use or elimination of any incidental fee as proscribed in statute. For purposes of conducting an analysis authorized under ORS 352.102(3) and ORS 352.105, the report required by this resolution shall include: (i) the mandatory incidental fees the ASUO requested to be collected; (ii) the process by which the ASUO establishes such fees; (iii) a statement of whether the requested fee amount is different than the previous year, and if so by how much; (iv) the use of such fees; and (v) if requested by the President, an explanation of how the fees are advantageous to the cultural or physical development of students. The report due to the Board pursuant to this resolution must be submitted with sufficient time for analysis and feedback prior to the meeting at which the Board will consider tuition and fees each year. "Sufficient time" shall be determined by the University Secretary, in consultation with the ASUO President and the University President. If the President and ASUO do not jointly agree to the recommendations prior to the date recommendations are to be submitted to the Board, the President and ASUO may separately submit the recommendations to which the parties agree and the recommendations to which the parties do not agree, along with the underlying basis for agreement and disagreement. Nothing in this resolution is intended to affect the appeal rights granted in ORS 352.105(4).

Moved: _____

Seconded: _____

Trustee	Yes	No
Bragdon		
Colas		
Coltrane		
Gary		
Gonyea III		
Kari		

Dated: _____ of _____, 2015.

Initials: _____



Agenda Item #6.2

Tuition Guarantee Concept



UNIVERSITY OF OREGON

Guaranteed Tuition Program

September 10, 2015

Presenters: V.P. for Enrollment Management Dr. Roger J. Thompson

V.P. for Finance and Administration Jamie Moffitt

Finance & Facilities Committee

Board of Trustees of the University of Oregon

Key Topics

- What is a guaranteed tuition program? How does it differ from our current tuition program?
- What are the advantages and risks to the university?
- What other schools use it?
- What key issues need to be resolved?
- What steps would we take to vet the concept?

Guaranteed Tuition Program

- Provides undergraduate students with a flat tuition schedule for four years
- During that time period, the institution guarantees that the undergraduate tuition rate will not increase
- Program could also include mandatory fees

Advantages & Risks

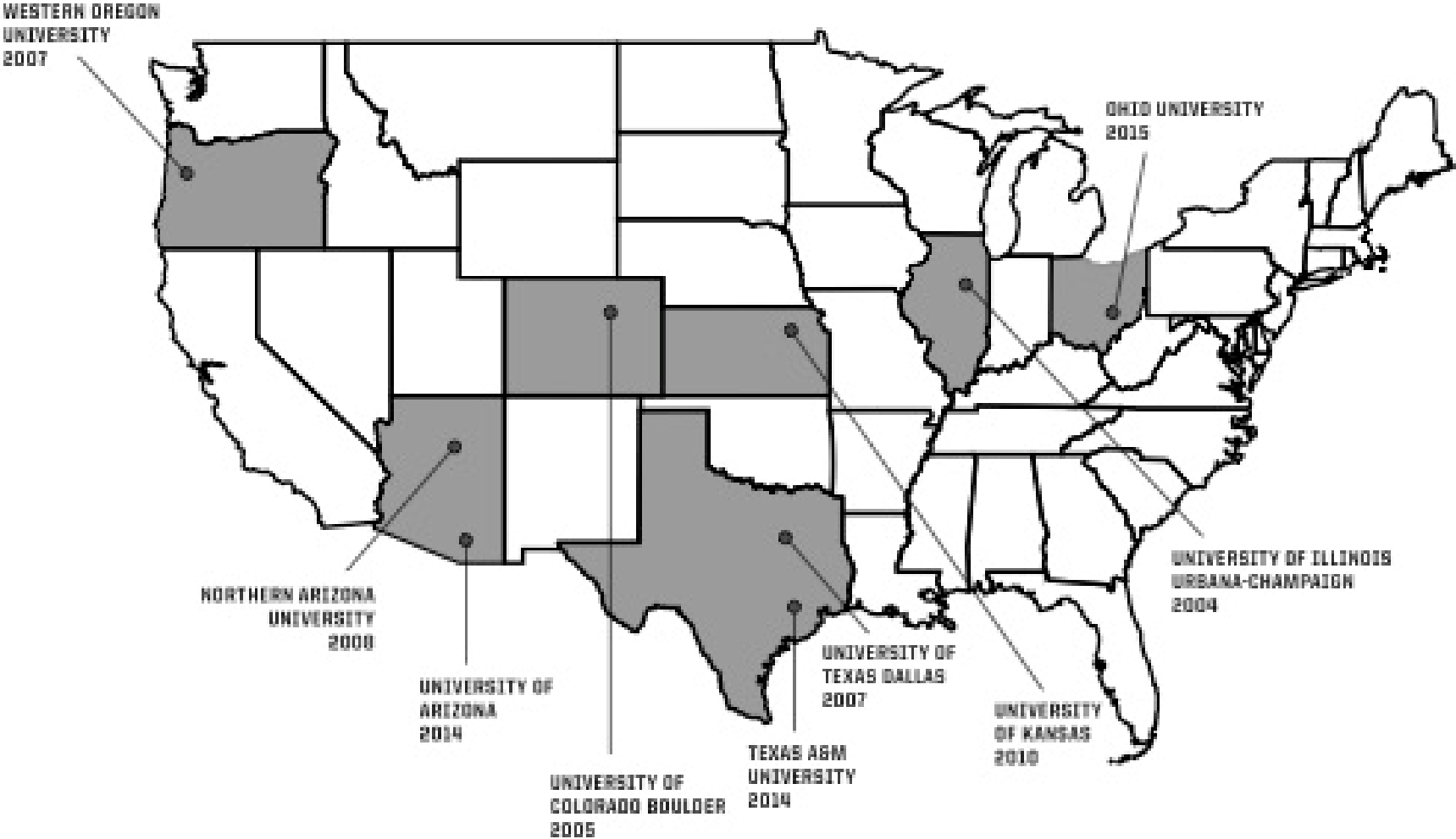
Advantages

- Provides certainty about cost of education
- Helpful recruiting tool
- Incentivizes retention and graduate rates

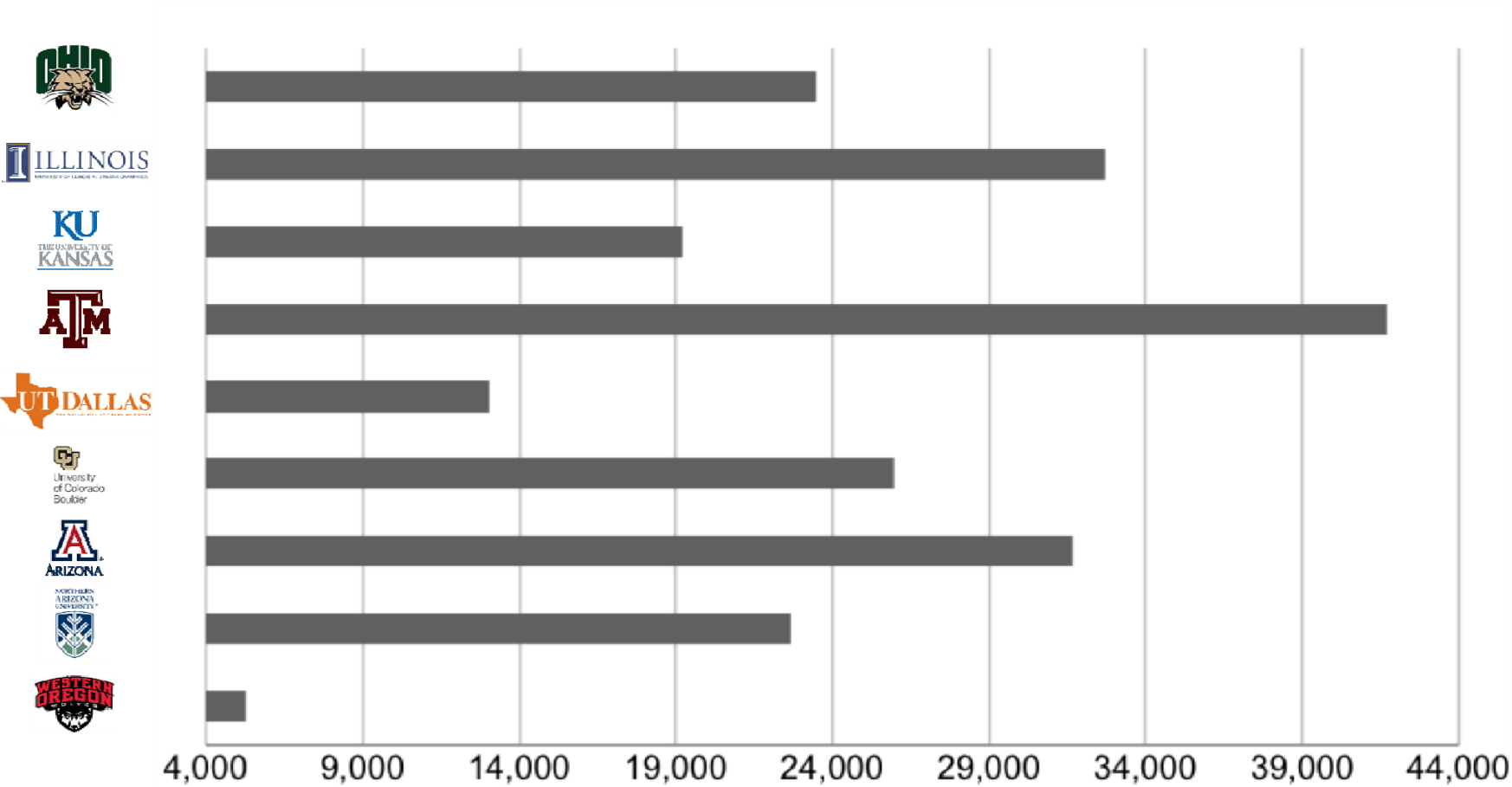
Risks

- If financial disruption occurs:
 - Lose ability to adjust tuition quickly
 - Current programs could be cut
- “Sticker shock” of fixed rate

Geographic Distribution of Guaranteed Tuition Programs



Undergraduate Enrollment Comparison



Eligibility Policy Comparison

- Resident freshmen eligible
Yes, except Colorado Boulder
- Nonresident freshmen eligible
Yes, except Western Oregon
- Transfer students eligible
6 out of 9 schools
Exceptions: Colorado Boulder, Kansas, and Western Oregon

Program Comparison

University	Program Type	Mandatory Fees	Tuition After 4 Years
Arizona	Mandatory	Guaranteed	Rate of next cohort
Colorado Boulder	Mandatory	Not guaranteed	Rate of next cohort
Illinois	Mandatory	Not guaranteed	Rate of next cohort
Kansas	Opt in	Not guaranteed	Rate of next cohort
Northern Arizona	Opt out	Not guaranteed	Rate of next cohort
Ohio	Mandatory	Guaranteed	Rate of next cohort
Texas A&M	Mandatory	Guaranteed	Rate of next cohort
Texas Dallas	Opt in	Guaranteed	Non-guaranteed rate
Western Oregon	Opt out	Not guaranteed	Rate of next cohort

Current Students

- Tuition rates would NOT be increased to higher guaranteed rate
- An appropriate annual rate would be set for the next several years
- After full transition into the program, we will no longer be setting annual rate increases for undergraduate students

Issues to Resolve

- Would the guaranteed program include mandatory fees (e.g., incidental fee)?
- How would the program affect student financial aid?
- Should a tuition plateau be introduced as part of the program?
- How would tuition for students in five-year programs (e.g., AAA Architecture) be treated?
- Would transfer students be incorporated in the program?
- Could other graduate programs be included?
- How would part-time students be affected?
- What if a student takes time off / leave of absence?
- What other issues do we need to consider?

Fall Process to Vet Concept

- Decision necessary – December Board Meeting
- Tuition and Fee Advisory Board would need to accelerate regular meetings (September, October, November) to develop *More* recommendations
- Meetings with other groups to present idea and hear feedback (e.g., student forums, Senate Budget Committee, parent advisory counsels, ELT/ALT, etc.)



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