Executive Committee Meeting
Held via telephone conference
September 6, 2006, at 3:00 PM EDT

Trustees Present: Art Zucker/Chair, Bruce Bedford, Amy Chappell, Dan Fallon, John Feinberg (invited to join as chair of the Facilities Committee), Sherwood Guernsey, Jeff Kasch, and Larry Stone

Absent: None

Staff Present: Toni Murdock/Chancellor, Tom Faecke/VC and CFO, Gerald Hunter/McGregor CFO, David Weaver and Lauren Ross (Martin, Browne, Hull & Harper), and Leslie Bates (minutes).

Art Zucker called the meeting to order at 3:05PM to review Campus West project and to approve the construction contract with Miller-Valentine. He noted that the Board has been provided documents from Barbara, most recently a monthly report on the project (August 17) and a letter from Barbara and Glenn with a conceptual drawing of the redesigned building from Miller-Valentine.

Art then provided additional background information. The Campus West project was first brought before the Board in October 2004, and Barbara was given the opportunity to proceed. Art noted that Barbara Danley did as she was required by the Board, including the launching of a campaign which has been successful. At the June 2006 Board meeting, concerns were raised about the project at which point Barbara provided more data, a new pro forma, showing projections and rationale for the project.

Art stated that the Executive Committee today should make a final review of the risks in going forward on the Project. He noted that once the contract is signed, construction will begin almost immediately in order to complete the project by next fall. The committee then needs to have a discussion around those issues, along with options for delaying or canceling the project. Barbara reviewed the data on the costs of delaying or canceling the project, emphasizing that the costs were both financial and political.

There was considerable discussion about enrollments university-wide, but especially at McGregor, which is meeting its Fall numbers, she said. Barbara was asked to provide enrollment data on a quarterly basis for monitoring purposes. She asked her new CFO, Gerald Hunter, to speak on enrollment management. In his view, the new facility provides McGregor with leverage in recruiting and retaining students, that this sort of facility will better accommodate their programs which cater to the adult learner. Gerald, noting that institutions have to respond to critical challenges and invest in their campus which can involve taking some risks, stated that he had reviewed all the numbers and fully endorsed the project.

Bruce pointed out that, historically, the Board has not received good enrollment information and that there's a need to revise the dashboard data such that Trustees can see the overall direction of each program against plan.

Art added that more data is needed on performance of grants and income.

Bruce requested that historical numbers by program be shown against new projections for rest of year so it's clear what the measurement standard is, what's driven by numbers of people and what's driven by price increase.

Art asked to hear from Glenn, then Toni and Tom. Glenn admitted there were risks as with most investments, countering that there were also risks in not continuing with the project. He pointed out that McGregor has had a solid history under Barbara's leadership and a record of growth, and reiterated what Gerald had said about attracting new students. He added that leasing currently un-needed classroom space at Campus West to other educational institutions (example, Clark State Community College) could provide a revenue stream, something which had not been figured into the *pro forma* and allow for future expansion of McGregor's program.

Glenn also pointed out the financial and political costs of not going forward, including the impact on faculty, current students, and ability to attract new students. Glenn endorsed the contract and recommended going forward with it.

Toni provided a summary of the discussion about Campus West that took place at ULC's summer retreat at the conclusion of that discussion, there was broad support for the project from the other members of the ULC.

Tom added that if Barbara can have enrollment up 150 students we should be okay. He expressed confidence also in her fund-raising plan.

Art welcomed comments from trustees who had not yet offered comments.

Sherwood expressed his confidence in the plan and Barbara's leadership.

Jeff and Amy each expressed an interest in proceeding. Art read aloud the resolution and then asked if there were further discussion.

RESOLUTION 9.6.06:1 (B. Bedford/L. Stone)

RESOLVED, that the Executive Committee of the Board of Trustees hereby approves the design-build contract from Miller-Valentine, LLC, for the design and construction of the Campus West Project as reviewed at this meeting.

FURTHER RESOLVED, that the University Vice Chancellor and CFO Thomas A. Faecke is authorized to sign said contract on behalf of the University.

Bruce asked for some clarification on Miller-Valentine's agreement to use minority contractors. Glenn responded that the contract provides that they will follow Antioch's policy going forward; remaining contracts will include women or minority contractors.

Toni asked for clarification on paragraph 4.4 of the contract which identifies the "Owner's Representative" as Glenn Watts, to get a sense of how she and Tom operate within this structure, since they will be held accountable as much as Barbara will be.

David Weaver responded that there is no legal problem given the way the contract is structured. Tom could just as easily been named the owner's representative but it would have required lots of time and effort on his part. Glenn's appointment makes sense since he is the project manager.

Toni suggested a timely report from Glenn that goes to Tom for review and questions that will keep Tom apprised. David added that Glenn could do the sign-offs under Tom's direction, that it would be Tom's responsibility to set parameters. Certainly, Glenn and Tom need to work together and Tom will have ultimate control since he controls the bond funds to pay for the Project. Tom indicated that he was comfortable with the contract as written and was confident that he and Glenn will work well together.

John offered his assistance as a resource. He asked about a completion date. Glenn stated that McGregor could move in on or around September 1, 2007.

There was no more discussion so Art asked for the vote. The motion passed unanimously.

John, noting that this contract does not include the scope of the project, asked if David Weaver would be adding elements to the contract that have already been approved – specifications, allowances, etc? David answered that as the specs are developed they'll be approved by Antioch. We have the right of approval, exercised by our representative, Glenn. John and David agreed to discuss this further off-line.

Toni thanked the Board for their support, observing that "We're not operating as an institution at risk but one that's willing to take risks and invest in its future because we're confident it will happen. This alone will have a huge impact on how we feel about each other and the future of Antioch. This confidence decreases the risk."

There being no further business, the meeting was adjourned at 4:30PM. The Executive Committee continued in Executive Session (trustees only) with David Weaver to discuss the current status of the chancellor search.

Meeting minutes submitted by,

Leslie Bates

Leslie Bates
Assistant Secretary