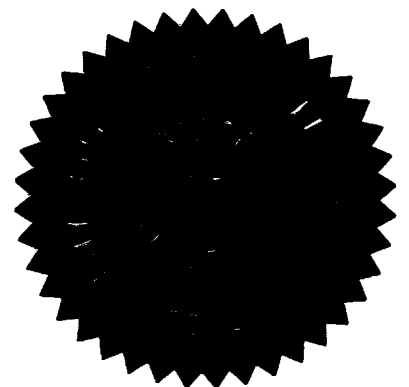


**MINUTES**  
**UNIVERSITY OF SOUTHERN INDIANA**  
**BOARD OF TRUSTEES**  
**JANUARY 11, 2001**



## MINUTES

### UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

January 11, 2001

The University of Southern Indiana Board of Trustees met on Thursday, January 11, 2001, in the Embassy Suites Hotel in Indianapolis. Present were Trustees Bruce Baker, Louise Bruce, Ryan Helzerman, G. Patrick Hoehn, H. David Huber, Tina Kern, Thomas McKenna, and Harolyn Torain. Also attending were President H. Ray Hoops; Vice Presidents John Byrd, Robert Reid, Richard Schmidt, and Sherrienne Standley; Faculty Senate Chair Mark Krahling, and SGA President Rick Hudson.

There being a quorum present, the meeting was called to order at 9:30 a.m.

#### SECTION I - GENERAL AND ACADEMIC MATTERS

##### A. APPROVAL OF MINUTES OF NOVEMBER 2, 2000, MEETING

On a motion by Mr. Baker, seconded by Mrs. Torain, the minutes of the November 2, 2000, meeting were approved.

##### B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

The next regular meeting of the Board of Trustees was set for Monday, March 12, 2001, on the University of Southern Indiana campus.

##### C. PRESIDENT'S REPORT

President Hoops began his report by commenting that the University was saddened by the recent loss of its most ardent supporter, Joseph E. O'Daniel. Mr. O'Daniel's volunteer service to the University has been unparalleled and the effects of his work imprinted on the very soul of USI. A memorial resolution is included in these minutes.

Related to the O'Daniel imprint on USI, Dr. Hoops noted that the O'Daniel Leadership Academy, which was endowed by Joe and Marie O'Daniel during Campaign USI, presented its corporate leadership conference in October. The conference, hosted by Toyota, had 78 students in attendance. Through the conference, students learned the leadership philosophy of a local corporation, networked with others, and attended a series of workshops relating to leaders and/or leadership. The spring conference will be held in April and the host will be *The Evansville Courier and Press*.

Dr. Hoops reported that the Activities Programming Board and the Student Housing Association hosted the Third Annual Fall Semester Midnight Breakfast/Chill Out. Nearly 900 students participated in the three-hour event to help students relieve stress as they prepared for finals week. In addition to eating breakfast, students participated in karaoke, making sand art and jewelry, playing a trivia challenge, and winning prizes. Trustee Bruce Baker attended this event again this year, going again above and beyond the call of duty.

The First Year Initiatives program presented a noncredit course, LIFE (which stands for Learning is ForEver) Lessons to new freshmen. President Hoops reported that the course assisted first-year students in becoming productive citizens of the college community while helping to enhance their self-esteem; clarify their personal, academic and career values; and to strengthen class unity and campus involvement. There were 37 students enrolled in the course.

Dr. Hoops noted that the Counseling Center trained 13 peer counselors during fall semester. Following eight weeks of training, student peer counselors commit to a minimum of five hours each week to work with individual students and to make presentations to classes and campus organizations. These peer counselors are available to counsel other students on such issues as problem solving, substance abuse prevention, stress management, and accessing university and community resources. Programs like this have been found to be successful at other universities and enable students who may be reluctant to use the professional services of the university to get the help they need.

Dr. Hoops reported that both the clerical/support staff and the faculty/administrative staff met in their respective informational meetings for the spring semester. The clerical/support staff participated in a workshop on customer service, while the faculty/administrative staff members were given an overview of the University's newest academic programs.

Dr. Hoops announced that Dr. Darrel Bigham, professor of history and director of Historic Southern Indiana, was appointed by President Clinton to the Abraham Lincoln Bicentennial Commission. He was recommended by Governor O'Bannon for the presidential appointment. The commission was enacted to study activities that may be carried out by the federal government in honor of the 200<sup>th</sup> anniversary of Abraham Lincoln's birth, which will be celebrated in 2009. Dr. Bigham is one of five presidential appointees.

Dr. Hoops noted that later in January, the University will celebrate the memory of Dr. Martin Luther King with five days of activities planned by the USI Multicultural Center. The highlight of the activities will be a presentation by Bari-Ellen Roberts, president of a management consulting firm that focuses on diversity and workplace issues. She made history as lead plaintiff in a class action racial discrimination suit against Texaco, which was settled out of court for \$176 million. She has written a book about her experience in the corporate world and the legal action.

President Hoops reported that the USI Foundation has engaged in some preliminary planning for the future expansion of the Physical Activities Center (PAC). He called on Vice President Standley to report on the progress.

Vice President Standley reported that the USI Foundation has begun the preliminary work necessary to raise funds for the Physical Activities Center expansion project. She reported that one-half of the estimated \$12 million cost of the expansion will need to be raised from private donations. She also reported that a local architectural firm, Edmund L. Hafer and Associates, has agreed to do preliminary work on the project at no cost to the University. The firm will create a scale model of the proposed expansion that will be used as the USI Foundation begins its fund-raising effort. The Foundation plans to engage Ken Durham of Cargill Associates, a consulting firm in Fort Worth, Texas, to conduct a feasibility study on the Foundation's ability to reach the estimated goal of \$6 million. A report on the feasibility study will be available in June. Ms. Standley noted that Cargill Associates is the firm that consulted with the USI Foundation during *Campaign USI*. A Campaign Cabinet will be formed to serve in an advisory capacity.

Dr. Hoops remarked on the timing of the PAC expansion project. He noted that *Campaign USI*, the University's first capital campaign, was exclusively devoted to enhancing academic and student programs at USI. He also noted that, prior to the expansion of a facility for intercollegiate athletics, the Recreation and Fitness Center will open, providing all USI students with the opportunity to pursue, on a recreational basis, the sports in which they are interested. Dr. Hoops remarked that intercollegiate athletics has been a positive influence for the University community, and that expansion of the facility will allow for growth and decisions about the future of athletics at USI. He also noted that the expanded facility will provide the campus with an instructional, cultural, and entertainment venue. Related to the timing of the campaign, Ms. Standley remarked that most of the five-year *Campaign USI* pledges will be completed before the campaign for the PAC facility begins.

President Hoops reported that the University Children's Center has entered into a partnership agreement with the Community Action Program of Evansville's Head Start program to provide integrated services for families whose children attend the USI Children's Center. In the agreement,

enrolling children in Head Start is optional for parents whose children already attend the center, but services provided by Head Start are available to all children attending, regardless of dual enrollment. This partnership benefits Head Start through expansion of services to the west side of Evansville and collaboration with the accredited USI child care program. Benefits to the USI Children's Center include Head Start financial assistance for staffing and equipment; enhancing support services for children and their parents; and offering professional development opportunities for USI staff.

President Hoops reported that Extended Services enrollment in noncredit courses for 1999-2000 was 10,236, an increase of 19 percent over the enrollment of 8,263 the previous year. Noncredit enrollments can fluctuate significantly from year to year, but as an indicator of program strength, the average noncredit enrollment for the last five years was 9,155. President Hoops commented that this is one of many ways that USI responds to the needs of the community and its employers.

Dr. Hoops noted that early in January, the University hosted southern Indiana high school counselors at the University Home for dinner and conversation. This annual event provides an opportunity to explain future directions and programs to the counselors. It is also an excellent time for staff to learn the counselors' perceptions of how well USI is serving students. One counselor singled out a new program for praise, saying it had transformed one of her high school students who had been something of a problem. The program was "Career Planning 101", hosted by the Career Counseling Center to help high school students clarify and articulate their career goals. Not only did the program impress this particular counselor, it received rave reviews from the nearly 30 high school students who participated, coming from Indiana, Kentucky, and Illinois.

Dr. Hoops reported that an advisory group is working to develop the University's public commitment to teaching as scholarly work. He called on Dr. Reid to explain the details of the program.

Dr. Reid reported on the creation of the Carnegie Academy for the Scholarship of Teaching and Learning (CASTL) advisory group at USI. The group will follow a model developed by the Carnegie Academy for the Advancement of Teaching in conjunction with the American Association for Higher Education to set up programs to more fully and formally develop the University's public commitment to teaching as scholarly work. Related goals are to improve the quality of student learning and elevate activities designed to promote the scholarship of teaching, encourage the development of alternative instructional delivery method utilization on campus, and participate in both local and national discussion pertaining to the scholarship of teaching.

Dr. Hoops concluded his report by recalling Vice President Reid's comments upon being honored for 25 years of service during last fall's Founder's Day celebration. He called on Dr. Reid to repeat his Founder's Day observations about the longevity and contribution of individuals employed at USI.

Dr. Reid remarked that in the last nine years, 62 employees have been honored on Founder's Day for 25 years of service to the University. He discussed the relationship between continuity and change, and he reflected on the many changes that have taken place at USI over the years – growth in enrollment, growth in faculty and staff, additional facilities, and positive changes in name recognition and reputation. He noted that in addition to growth, there is continuity at USI. Of the 62 employees who have been recognized for 25 years of service, 36 are still employed at USI. When Dr. Reid analyzed the fifteen positions with which he has worked most closely (including President, Vice Presidents, Assistant and Associate Vice Presidents, and the Academic Deans) in his 25 years at USI, he realized that he has worked with only 30 individuals in those positions. He noted that few other organizations have this kind of stability, record of service, and continuity. He concluded that while USI is a place where change is the major constant, it is also a place of remarkable, steady, and consistent leadership characterized by caring, sharing, and dedicated people.

#### **D. APPROVAL OF REQUEST FOR UTILITY EASEMENT**

Southern Indiana Gas and Electric Company requests an easement for right-of-way to relocate the electric transmission overhead line away from the Recreation and Fitness Center. The relocation of the line will allow for future expansion of the Center.

On a motion by Mr. Huber, seconded by Mrs. Bruce, the request for right-of-way to relocate the electric transmission overhead line, described in Exhibit I-A, was approved.

#### **E. APPROVAL OF DISTANCE EDUCATION PROGRAMS**

Programs offered via distance education must be approved by the Indiana Commission for Higher Education. Included in the USI Program Inventory are the following programs which have distance education authorization:

- 1) Associate of Science in Communications
- 2) Bachelor of Science in Health Services
- 3) Bachelor of Science in Nursing

Awaiting Commission action are two programs which include delivery by distance education technology:

- 1) Master of Science in Occupational Therapy
- 2) Master of Health Administration

On a motion by Mr. Hoehn, seconded by Mrs. Torain, the request to extend authorization for distance education to two additional programs was approved.

- 1) Bachelor of Science in Radiologic and Imaging Sciences
- 2) Master of Science in Nursing

#### **F. REPORT OF THE LONG RANGE PLANNING COMMITTEE APPROVAL OF ENGINEERING PROGRAM**

Mr. Baker reported that on December 14, 2000, the Long Range Planning Committee, previously authorized to act on behalf of the full board, approved the baccalaureate in engineering program. The program proposal has been sent to the Commission for Higher Education for consideration of its approval.

#### **G. APPROVAL OF MEMORIAL RESOLUTION FOR JOSEPH E. O'DANIEL**

On a motion by Mr. Baker, seconded by Mrs. Bruce, the following resolution was approved.

WHEREAS, Joseph E. O'Daniel was a distinguished member and chair of the USI Board of Trustees, serving with distinction as a founding trustee and a member of the Board of Incorporators; and

WHEREAS, Mr. O'Daniel also gave leadership to Southern Indiana Higher Education, Inc. and the USI Foundation Board of Directors, both of which he chaired; and

WHEREAS, Mr. O'Daniel saw to the needs of USI students for three and a half decades, even creating a nonprofit corporation to build and manage the first student housing; and

WHEREAS, Mr. O'Daniel created the O'Daniel Leadership Academy to further the education of USI students outside the classroom, touching hundreds of students; and

WHEREAS, Mr. O'Daniel was one southwestern Indiana's great civic leaders in the 20<sup>th</sup> century; and

WHEREAS, Mr. O'Daniel passed away January 5, 2001; and

WHEREAS, Mr. O'Daniel's record of service, dedication to USI, and personal zeal for the welfare of USI students is unlikely to be equaled,

NOW THEREFORE BE IT RESOLVED, that the University of Southern Indiana Trustees and Officers formally recognize Mr. O'Daniel's lifetime achievements on behalf of the University of Southern Indiana and the southwestern Indiana community; and

FURTHER RESOLVED, that the Trustees and Officers express to Mr. O'Daniel's family their sincere condolences for the family's loss of a wise and loving father, grandfather, and great-grandfather; and

FURTHER RESOLVED, that this resolution be spread upon the minutes of the University of Southern Indiana Board of Trustees and that copies of the resolution be given to Mr. O'Daniel's family.

## **SECTION II - FINANCIAL MATTERS**

### **A. APPROVAL OF RESOLUTIONS APPROVING AND AUTHORIZING THE SALE OF REVENUE BONDS TO FINANCE THE STUDENT RESIDENTIAL BUILDING NO. 3 PROJECT**

Mr. Schmidt reported that at the November 4, 1999, Board of Trustees meeting, the Trustees, recognizing the need for additional student housing, authorized the Construction Committee to proceed with a project to construct Student Residence Building No. 3 and authorized the Finance Committee to approve a financing plan for the project. At its meeting on September 7, 2000, the Finance Committee approved a financing plan from Dain Rauscher and Fifth Third Bank. To allow the proposed sale of the bonds to proceed, the Board of Trustees must now approve the resolutions in Exhibit II-A. Mr. Schmidt called on Michael Whipple, Assistant Treasurer and Business Office Director, to summarize the financing plan.

Mr. Whipple reported that the University will combine four bond issues to support current facilities and future dining and parking operations. The combination of bond issues will allow the University to manage its current housing debt more effectively and will allow the efficient funding of future debt. Mr. Whipple noted that the bonds will be priced in mid-February and will be sold on March 1, 2001.

On a motion by Mr. Hoehn, seconded by Mr. Baker, the Resolutions of the Board of Trustees for the University of Southern Indiana Approving and Authorizing the Sale of the University of Southern Indiana Auxiliary System Revenue Bonds, Series 2001A, and the University of Southern Indiana Auxiliary System Variable Rate Demand Revenue Bonds, Series 2001B in Exhibit II-A were approved.

### **B. UPDATE ON CURRENT CONSTRUCTION PROJECTS**

Mr. Schmidt called on Steve Helfrich, Director of Facilities Operations and Planning, to present an update on current construction projects.

Mr. Helfrich reported that the Recreation and Fitness Center Project is approximately 85 percent complete and the facility will open before the end of the spring semester.

Mr. Helfrich also reported that the construction of Student Residential Building No. 3, scheduled for completion by July 1, 2001, is behind schedule by approximately 3-4 months. Despite efforts to get the project back on schedule, the general contractor, Lichtenberger Construction Company, believes that the building will not be completed before November 1, 2001. The staff of Residence Life is preparing a contingency plan to temporarily house the 220 students who will be affected if the residence hall is not complete at the beginning of the fall semester.

Mr. Helfrich reported on the relocation of the temporary classroom and office buildings from behind the Science Center to west of the Technology Center. The buildings have been relocated and renamed the Administrative Services Annex. The foundations are complete and the progress continues despite weather-related delays in site work.

Mr. Helfrich also mentioned that bids will soon be sought for renovations to the lower level of the Forum Wing in the Administration Building and the interior renovation of McDonald East Apartments. The first McDonald East building will be renovated before fall semester 2001. The other twelve buildings will be renovated during the next 4-7 years. Mr. Schmidt reported that the funds for the renovation will come from a combination of housing operating funds and housing reserve balances.

### **C. APPROVAL OF REQUEST FOR GENERAL REPAIR AND REHABILITATION FUNDS**

Mr. Schmidt reported that this request authorizes President Hoops to request approval of the Indiana Commission for Higher Education, the State Budget Committee, and the Governor of the State of Indiana for appropriation of general repair and rehabilitation funds for the projects listed in Exhibit II-B.

On a motion by Mr. Baker, seconded by Mr. Huber, the funding authorization request for repair and rehabilitation funds in Exhibit II-B was approved.

#### **D. APPROVAL OF RESOLUTIONS CONCERNING RENOVATION OF A PORTION OF THE UNIVERSITY CENTER**

Mr. Schmidt called on Robert Ruble, Associate Vice President for Fiscal and Physical Affairs, who presented a report on the space needs of the bookstore and food service in the University Center and the proposed improvements and expansion to the University Center to meet these needs.

The University engaged a consulting team to review the relationship between enrollment growth and University Center service/space requirements. The team included Veazey Parrot Durkin & Shoulders (architects of the original University Center design and of the 1996 renovation/addition), Ken White & Associates (bookstore consultants), and Sodexo Marriott (food service consultants). The consulting team has completed its work, and has suggested both short-term and medium-term improvements.

The short-term project would renovate existing finished and unfinished space in the University Center to provide additional room for both bookstore and food service operations. At a preliminary estimated cost of \$550,000, this project might be complete by the start of Fall 2001 classes if it can begin immediately.

The medium-term project is an addition to the University Center to house expanded student activity space, a new bookstore, and other space. Vacating the old bookstore would allow expansion for food service space. The preliminary estimated cost for the new construction and renovation project is \$9,000,000. This project is included in the University's Ten-Year Capital Plan for the 2003-05 biennium.

Dr. Ruble called on Mr. Helfrich, who presented a report and drawings of the renovation concept.

The Trustees were asked to authorize staff to proceed with the short-term renovation project, including engaging an architect. Additionally, the Trustees were asked to authorize the Construction Committee to act on their behalf concerning design approval and contract execution for the short-term renovation project.

At the Trustees meeting in May, 2001, staff will review the proposed medium-term new construction project, including preliminary program needs, funding plans, and construction schedules.

On a motion by Mr. Huber, seconded by Mr. Helzerman, the following resolution was approved.

WHEREAS, the University's history of enrollment growth has made it difficult for the University Center to maintain adequate levels of service to students; and

WHEREAS, the University bookstore, which was designed to serve approximately 3,000 students, now serves more than 9,000 students; and

WHEREAS, the number of students participating in contract meal plans is expected to increase dramatically when Student Residential Building No. 3 opens (increasing from 550 students in Fall 2000 to 875 students in Fall 2001); and

WHEREAS, all food service venues in the University Center already are operating well beyond their anticipated volume levels; and

WHEREAS, the University's Ten-Year Capital Plan does not anticipate University Center expansion until the 2003-05 biennium; and

WHEREAS, the University expects continued enrollment growth between now and the 2003-05 biennium, and disproportionately high growth in the number of food service plan participants; and

WHEREAS, a consulting team composed of Veazey Parrot Durkin & Shoulders, Ken White & Associates, and Sodexo Marriott has recommended that some immediate relief may be obtained by a renovation project estimated to cost \$550,000; and



WHEREAS, this renovation project will be most helpful if completed by the start of Fall 2001 classes, and it may be possible to meet that schedule if the project begins immediately;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees authorizes staff to proceed with the renovation of a portion of the University Center, including engaging an architect; and that the Board of Trustees authorizes the Construction Committee to act on the Trustees' behalf concerning design approval and contract execution for this project.

**E. APPROVAL OF RECOMMENDATION FOR 2001-02 HOUSING RATES**

On a motion by Mr. Baker, seconded by Mr. Huber, the following housing rates for 2001-02 were approved.

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>	<u>EFFECTIVE DATE</u>
<b><u>FALL OR SPRING SEMESTER</u></b>			
<b><u>APARTMENT</u></b>			
Two Bedroom, Four Student	\$1,195	\$1,260	7-01-01
Two Bedroom, Two Student	2,400	2,400	7-01-01
One Bedroom, Two Student	1,480	1,565	7-01-01
One Bedroom, One Student	3,000	3,000	7-01-01
<b><u>RESIDENCE HALL</u></b>			
Two Bedroom, Four Student	\$1,195	\$1,260	7-01-01
One Bedroom, Two Student	950	1,100	7-01-01
One Bedroom, One Student	1,800	2,100	7-01-01

**SUMMER SESSIONS**

Summer session rates, effective 5-01-01, are indexed to the semester rates above. The rate for each one-month summer session is 20 percent of the one-semester rate.

**F. APPROVAL OF RECOMMENDATION FOR 2001-02 MEAL PLAN RATES**

Vice President Byrd explained the proposed meal plan rates for 2001-02. Students who live in the Residence Halls (Newman Hall, Governors Hall, and Student Residential Building No. 3) are required to purchase a Resident Meal Plan. Three plans are available from which students can choose. The proposed fee will allow for a late-night meal option, increased flexibility, and normal increases in food and labor costs.

On a motion by Mrs. Torain, seconded by Ms. Kern, the following meal plan rates for 2001-02 were approved.

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>	<u>EFFECTIVE DATE</u>
Red Eagle Plan	\$1,396	\$1,496	7-01-01
White Eagle Plan	1,196	1,296	7-01-01
Blue Eagle Plan	996	1,096	7-01-01

SECTION III – PERSONNEL MATTERS

**A. Approval of Personnel Actions**

On a motion by Mr. McKenna, seconded by Mrs. Torain, the following personnel actions were approved.

1. **Early Retirement.** Larry D. Goss, Professor of Engineering Technology, in accordance with the early retirement policy, has requested early retirement effective May 5, 2001, including leave with pay for the period of January 2, 2001 through May 5, 2001. Severance pay based on 26 years of service to the University will be paid as of June 29, 2001.

Jackson L. Marr, Associate Professor of Biology, in accordance with the early retirement policy, has requested early retirement effective May 5, 2001, including leave with pay for the period of January 2, 2001 through May 5, 2001. Severance pay based on 30 years of service to the University will be paid as of June 29, 2001.

2. **Emeritus Status.** It is recommended that the following faculty members be retired officially with the effective dates shown and the appropriate emeritus titles, as indicated, conferred:

Larry D. Goss, Professor Emeritus of Engineering Technology;  
26 years at USI, effective May 5, 2001.

Jackson L. Marr, Associate Professor Emeritus of Biology;  
30 years at USI, effective May 5, 2001.

There being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

  
Louise S. Bruce, Secretary

Form No. ET-002  
04\1993

Line No.: Y-32  
Tract No.: 24

### EASEMENT FOR RIGHT OF WAY

THIS INDENTURE WITNESSETH, THAT UNIVERSITY OF SOUTHERN INDIANA, an educational corporation organized under the laws of the State of INDIANA, hereinafter called "Grantor", whether one or more, for and in consideration of One Dollar (\$1.00) receipt of which is hereby acknowledged, does hereby GRANT, CONVEY, and WARRANT to SOUTHERN INDIANA GAS AND ELECTRIC COMPANY, located at 20 NW Fourth Street, P.O. BOX 569, Evansville, Indiana 47741-0001, an Indiana corporation, its successors, assigns and lessees (hereinafter and hereinafter collectively referred to as the "Company"), an easement with the right, power and authority to construct, inspect, maintain, operate, alter, rebuild, relocate, enlarge and repair one or more electric lines and one or more fiber optic cables underground and/or above ground upon one (1) line of wood, metal or other type of supporting structures in such numbers and at such locations along said line as the Company deems necessary, with the right to relocate said supporting structures along said line from time to time as the Company deems necessary, together with guy wires, anchors and such other equipment and appurtenances as are used or may be used in the construction of electric lines and/or fiber optic cables along, through and across the real estate hereinafter described, together with the rights of ingress and egress over the lands of Grantor to and from said lines and/or cables in the exercise of the rights hereby granted, provided, that in the exercise of such rights the Company will, whenever practicable to do so, use regularly established highways or roadways.

The Grantor, for the same consideration, further grants unto the Company the right to remove, cut, trim, spray and/or control growth by chemical methods, at Company's sole discretion, any and all trees, shrubs, and undergrowth or overhanging branches located within said right-of-way and easement, and any and all trees located outside of said right-of-way and easement that are of such a height that in falling directly to the ground they could come in contact with said electric lines and/or fiber optic cables, and to remove other obstructions within the area of said right-of-way and easement which may now or might hereafter interfere with or constitute a hazard to the construction, installation and maintenance of said electric lines and/or fiber optic cables.

The Company agrees to bury any underground conduit so that the same will not interfere with the cultivation of Grantor's real estate and to backfill any conduit trench to the grade level existing prior to the installation of an underground line. Subject to the rights of Company herein set forth, Grantor reserves the right to the use of the real estate included within said right of way and easement, except that Grantor shall not erect or maintain any buildings, improvements or other structures, facilities or equipment, either of a permanent or temporary nature within the area of said right of way, except those fences, buildings, structures, facilities or roadways which exist as of the date of this indenture. Grantor shall not change the grade elevation within said right of way and easement nor shall Grantor change the existing nature of use of the surface of the real estate within said right of way and easement without the written consent of Company. Grantor shall not construct lakes or ponds on any portion of grantor's real estate in such a manner as to cause water to collect or stand on any portion of the real estate located with said right of way and easement.

The right of way and easement hereby conveyed is ONE HUNDRED (100) feet in width and extends over and across the following described real estate situated in PERRY Township, VANDERBURGH County, State of Indiana, to-wit:

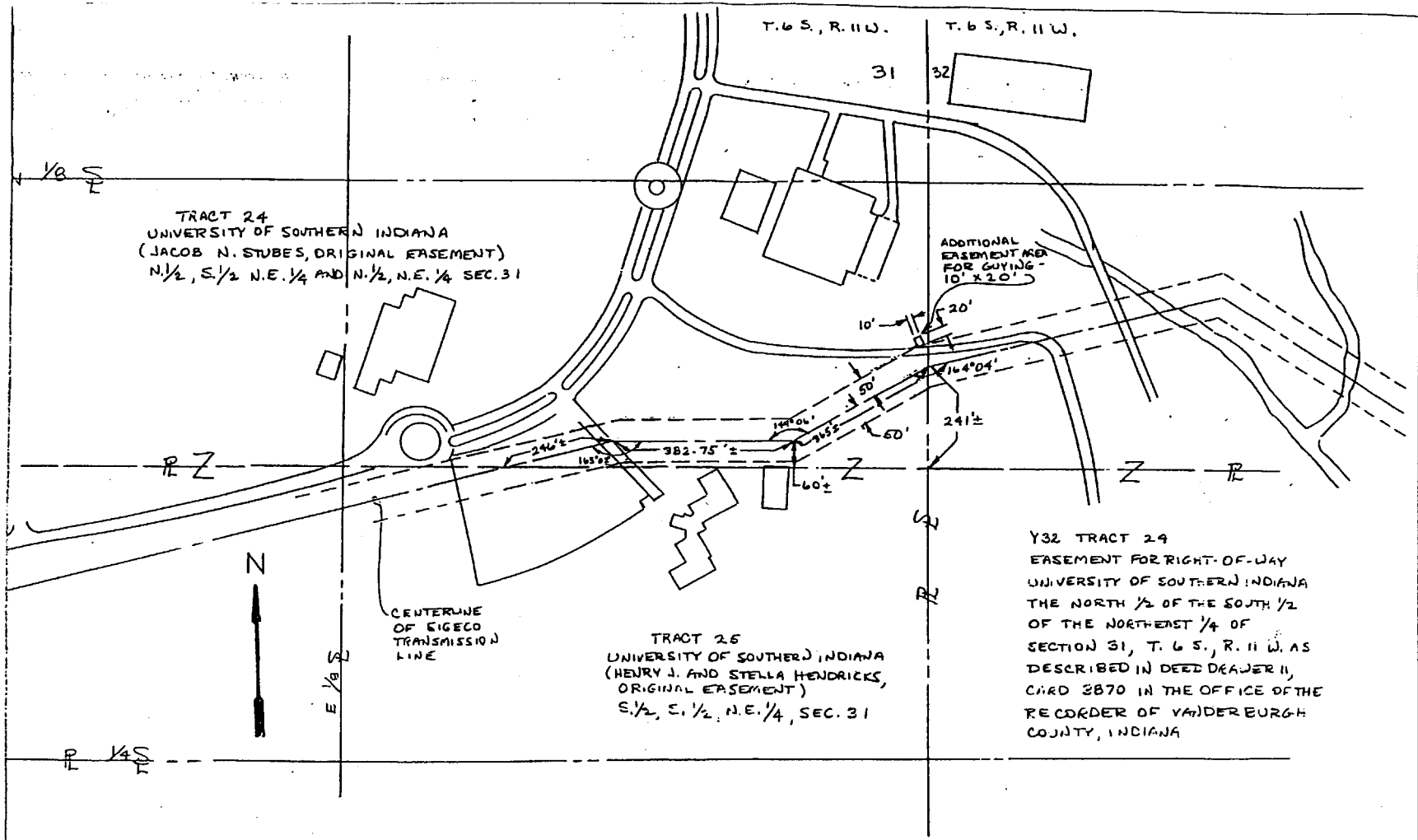
**PART OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER  
OF SECTION 31, TOWNSHIP 6 SOUTH, RANGE 11 WEST AS DESCRIBED IN DEED  
DRAWER 11, CARD 3870 IN THE OFFICE OF THE RECORDER OF VANDERBURGH  
COUNTY, INDIANA.**

and the location of the centerline of said right of way and easement is shown and designated upon the plat which is attached to and by reference made a part of this indenture.

The amount of physical damages to the real estate, soil, crops, gates, drains or fences, caused by the Company in the exercise of the rights and privileges hereby granted, (except damage to trees, shrubs, undergrowth, overhanging branches or other obstructions which are cut, trimmed, removed, sprayed or treated by chemical methods, as above provided for), shall be promptly paid by the Company to Grantor and/or Grantor's tenants, provided a claim for such damages, if any, shall be filed in writing with the Company within One Hundred Eighty (180) days after the occurrence of any such damage.

The Company, its successors or assigns and lessees, may use and occupy the aforesaid lands for one of the purposes provided





BY G. THIEM DATE 10/2000		DATE 10/23/2000		 <b>SIGECO</b> THE ENERGY COMPANY	EXHIBIT "A" EASEMENT FOR RIGHT-OF-WAY JOB NO. 7102.002 DWG. NO. TY32-B7-SH.4
BY	DATE	DESCRIPTION	DATE		
DWG	CHK	APP	DATE		

**RESOLUTIONS OF THE BOARD OF TRUSTEES FOR THE UNIVERSITY OF SOUTHERN  
INDIANA APPROVING AND AUTHORIZING THE SALE OF THE  
UNIVERSITY OF SOUTHERN INDIANA AUXILIARY SYSTEM  
REVENUE BONDS, SERIES 2001A, AND THE UNIVERSITY OF SOUTHERN  
INDIANA AUXILIARY SYSTEM VARIABLE RATE DEMAND  
REVENUE BONDS, SERIES 2001B**

WHEREAS, the Board of Trustees (the "Board") of the University of Southern Indiana (the "University") has full power and authority under and by virtue of the laws of the State of Indiana, including, more particularly, the provisions of Indiana Code 20-12-8 and 20-12-9, to issue revenue bonds secured by net income or net revenues of student residence, dining, and parking facilities and other auxiliary facilities, in order to finance and refinance such facilities on its Evansville campus; and

WHEREAS, the University desires to authorize the execution and delivery to Fifth Third Bank, Indiana, as trustee (the "Trustee"), of an Indenture of Trust dated as of February 1, 2001 (the "Original Indenture"), for the purpose of securing its Auxiliary System Revenue Bonds to be issued from time to time thereunder; and

WHEREAS, Article IV of the Original Indenture would authorize the issuance of one or more initial series of bonds by the University and the authentication and delivery of those series of bonds by the Trustee under the conditions set forth in Article IV, which conditions have been complied with so as to authorize the issuance, authentication and delivery of two initial series of bonds by the Trustee under the conditions set forth in Article IV, to provide the funds required to (i) finance the acquisition, construction, renovation or equipping of certain student residence facilities (the "New Money Project" as described in Attachment I attached hereto), and (ii) refund certain prior debt obligations of the University (the "Prior Bonds" as described in Attachment II attached hereto) which were issued to finance or refinance the costs of the acquisition, construction, renovation or equipping of certain student residence facilities; and

WHEREAS, the Board has full authority to take all necessary actions in connection with the financing of the New Money Project and the refunding of the Prior Bonds through the issuance of two initial series of bonds, and to approve and authorize the appropriate officers of the Board and the University to execute and deliver, for and on behalf of the University, such instruments as may be determined by such officers to be appropriate and necessary to carry out the financing of the New Money Project and the refunding of the Prior Bonds through the issuance of two initial series of bonds; and

WHEREAS, the Board desires to authorize the execution and delivery of the University of Southern Indiana Auxiliary System Revenue Bonds, Series 2001A (the "Series 2001A Bonds"), and (in connection with the Series 2001A Bonds) a First Supplemental Indenture (the "First Supplemental Indenture"), a Continuing Disclosure Undertaking Agreement (the "Undertaking Agreement"), a Preliminary Official Statement (the "Preliminary Official Statement"), and forms of the Series 2001A Bonds; and

WHEREAS, the Board desires to authorize the execution and delivery of the University of Southern Indiana Auxiliary System Variable Rate Demand Revenue Bonds, Series 2001B (the "Series 2001B Bonds," and, together with the Series 2001A Bonds, the "Bonds"), and (in connection with the Series 2001B Bonds) a Second Supplemental Indenture (the "Second Supplemental Indenture"), a Credit Agreement (the "Credit Agreement"), a Bond Pledge Agreement (the "Bond Pledge Agreement"), a Remarketing Agreement (the "Remarketing Agreement"), and forms of the Series 2001B Bonds; and

WHEREAS, the Board desires to authorize the execution and delivery (in connection with the both series of Bonds) of a separate final Official Statement for each series (collectively, the "Official Statements"), a Construction and Rebate Agreement (the "Construction and Rebate Agreement"), a Purchase Contract (the "Purchase Contract"), and an Escrow Deposit Agreement (the "Escrow Deposit Agreement"); and

WHEREAS, there has now been submitted to the Board a form of Original Indenture, a form of First Supplemental Indenture, a form of Second Supplemental Indenture, a form of Undertaking Agreement, a form of Credit Agreement, a form of Remarketing Agreement, a form Bond Pledge Agreement, a form of Preliminary Official Statement, forms of final Official Statements, a form of Construction and Rebate Agreement, a form of Purchase Contract, and a form of Escrow Deposit Agreement, all submitted in connection with the issuance of the Bonds, in an aggregate principal amount not to exceed \$26,000,000 for the Series 2001A Bonds and \$11,500,000 for the Series 2001B Bonds, plus certain additional costs and discounts and funding requirements, which financing has been approved by the State Budget Agency of the State of Indiana;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The issuance of the Series 2001A Bonds by the University on the terms and conditions set forth in the First Supplemental Indenture is hereby authorized in the total principal amount not to exceed the sum of \$26,000,000, plus underwriter's discount, as described below, original issue discount, as permitted by law, costs of issuance and costs of any premium for bond insurance. The Series 2001A Bonds shall be designated "University of Southern Indiana Auxiliary System Revenue Bonds, Series 2001A." The true interest cost of the Series 2001A Bonds shall not exceed 6.5%, with a maximum underwriter's discount of 1% and with such serial or term maturities and redemption features as the executing officers shall approve. The final maturity of the Series 2001A Bonds shall not extend beyond October 1, 2018. The Series 2001A Bonds shall be sold pursuant to the Purchase Contract at negotiated sale to Dain Rauscher Incorporated, as the representative of the underwriters listed in the Purchase Contract.

Section 2. The issuance of the Series 2001B Bonds by the University on the terms and conditions set forth in the Second Supplemental Indenture is hereby authorized in the total principal amount not to exceed the sum of \$11,500,000, plus underwriter's discount, as described below, original issue discount (if any), as permitted by law, costs of issuance, costs of any premium for bond insurance and fees for any other credit enhancement, and capitalized interest on the Series 2001B Bonds. The Series 2001B Bonds shall be designated "University of Southern Indiana Auxiliary System Variable Rate Demand Revenue Bonds, Series 2001B". The Series 2001B Bonds shall be sold at an interest rate or rates approved by the Chair, Vice Chair or Treasurer of the University, which interest rate or rates shall be the Daily Rate, Weekly Rate, or Term Rate, and which shall not exceed the Maximum Rate, all as established pursuant to the Second Supplemental Indenture. The final maturity of the Series 2001B Bonds shall not extend beyond October 1, 2021, with such redemption features as the executing officers shall approve. The Series 2001B Bonds shall be sold pursuant to the Purchase Contract at negotiated sale to Dain Rauscher Incorporated, as the representative of the underwriters listed in the Purchase Contract.

Section 3. The Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture are approved in substantially the forms submitted to the Board and are made a part of this Resolution as if fully set forth herein. The Chair or Vice Chair of the University, or either of them, is hereby authorized to execute and deliver, and the Secretary or Assistant Secretary of the

University, or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture, in substantially the forms submitted to the Board, with those changes in form or substance that the officers executing those documents shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Official Statements are approved in substantially the forms submitted to the Board and are made a part of this Resolution as if fully set forth herein. The Treasurer of the University is hereby authorized and directed to make those changes in form or substance as are necessary or appropriate (including any changes necessary to obtain bond insurance or other credit enhancement), to authorize the distribution of the Official Statements, to deem each Official Statement to be final or nearly final for purposes of applicable Securities and Exchange Commission rules, to execute and deliver the form of each final Official Statement with those changes in form or substance that the Treasurer shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), and to cause printed copies of any Preliminary Official Statement and final Official Statements to be provided to those prospective purchasers, investors and other persons as he may deem advisable in order to market the Bonds, and any such prior actions are hereby ratified and confirmed.

Section 5. The Purchase Contract is approved in substantially the form submitted to the Board and is made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair or Treasurer of the University, or any of them, is hereby authorized to execute and deliver the Purchase Contract in substantially the form submitted to the Board, with those changes in form or substance that the officers executing that document shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Construction and Rebate Agreement and the Escrow Deposit Agreement are approved in substantially the forms submitted to the Board and are made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair or Treasurer of the University, or any of them, is hereby authorized to execute and deliver and the Secretary or Assistant Secretary of the University, or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Construction and Rebate Agreement and the Escrow Deposit Agreement in substantially the forms submitted to the Board, with those changes in form or substance that the officers executing those documents shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The Remarketing Agreement is approved in substantially the form submitted to the Board and is made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair or Treasurer of the University, or any of them, is hereby authorized to execute and deliver the Remarketing Agreement in substantially the form submitted to the Board, with those changes in form or substance that the officers executing that document shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The Credit Agreement and the Bond Pledge Agreement are approved in substantially the forms submitted to the Board and are made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair or Treasurer of the University, or any of them, is hereby authorized to execute and



deliver the Credit Agreement and the Bond Pledge Agreement in substantially the forms presented to the Board, with those changes in form or substance that the officers executing those documents shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. The Undertaking Agreement is approved in substantially the form submitted to the Board and is made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair or Treasurer of the University, or any of them, is hereby authorized to execute and deliver the Undertaking Agreement in substantially the form presented to the Board, with those changes in form or substance that the officers executing that document shall approve (including any changes necessary to obtain bond insurance or other credit enhancement), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 10. The Treasurer of the University is hereby authorized to prepare the bond forms, as approved by the Board, required for use in the issuance of each series of Bonds, and to cause the same to be executed manually or by facsimile by the proper officers of the University as provided in the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture. Upon execution of each series of Bonds, the Treasurer shall deliver such Bonds to the Trustee for authentication, and upon their authentication, the Treasurer is authorized and directed to deliver such Bonds, upon payment of the purchase price, to The Depository Trust Company, New York, New York ("DTC"), on behalf of the purchaser thereof, which purchase price shall reflect the underwriter's discount permitted by this Resolution and original issue discount, if any, as permitted by law.

Section 11. The Chair, Vice Chair, Treasurer, Secretary and Assistant Secretary of the University are, and each of them is, hereby authorized and directed to do any and all further acts and things necessary, and to execute and deliver any necessary additional or supporting agreements, documents or certificates (including any supplement to the Blanket Issuer Letter of Representations, and including any agreement, document or certificate associated with obtaining bond insurance or other credit enhancement), as may be requested or necessary in order to complete the transactions contemplated by the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Purchase Contract, the Construction and Rebate Agreement, the Escrow Deposit Agreement, the Remarketing Agreement, the Credit Agreement, the Bond Pledge Agreement, the Undertaking Agreement and the Official Statements hereby authorized.

Dated: January 11, 2001.

**EXHIBIT II-A  
ATTACHMENT I**

**THE NEW MONEY PROJECT**

**PROJECT DESCRIPTION – STUDENT RESIDENCE BUILDING NO. 3**

**Budget Agency Number: G-0-00-1-02**

**Project Description**

The University of Southern Indiana proposes the construction of a student residence building with a combination of one and two-bedroom apartments. The residence building, with fifty-two (52) two-bedroom apartments and twelve (12) one-bedroom apartments, will accommodate two-hundred twenty (220) students and will be located in a wooded area south of the Physical Activities Center. The proposed facility is the same general design as the first two suite-style facilities, Newman Hall and Governors Hall. However, several improvements and enhancements have been incorporated into the architectural design of the project, including the addition of a lower (basement) level.

The three-story building will include a central entrance with interior corridors, a centrally located lounge and reception area, a computer laboratory on each floor, a laundry facility, and a multipurpose room. The two-bedroom units with two bathrooms will accommodate four students and the single units with one bathroom will accommodate one student. The total square footage of a two-bedroom unit is approximately 725 square feet with approximately 530 square feet in the one-bedroom unit. Each apartment will include a kitchenette, a common living area for the residents, and technological enhancements for computer networking. The basement level will contain ten student apartments and an unfinished area for future use.

The construction of the building will be a combination of wood framing, masonry block walls where needed for fire blocks, brick exterior, gypsum board walls and ceilings, and light weight concrete floors.

**EXHIBIT II-A  
ATTACHMENT II**

**THE PRIOR BONDS**

1. University of Southern Indiana Student Housing Revenue Refunding Bonds, Series 1996, in the outstanding principal amount of \$9,605,000.
2. University of Southern Indiana Student Housing Revenue Refunding Bonds, Series 1997, in the outstanding principal amount of \$2,504,000.
3. University of Southern Indiana Student Housing Revenue Bonds, Series 1997, in the outstanding principal amount of \$4,300,000.
4. University of Southern Indiana Variable Rate Student Housing Bonds, Series 1998, in the outstanding principal amount of \$13,400,000.

**University of Southern Indiana**  
**Request for General Repair and Rehabilitation Funds**  
**January 11, 2001**

Replace Boiler No. 2 in Physical Plant	\$ 134,000
Renovate Administrative Services Buildings	100,000
Upgrade Publishing Services Center Exhaust at Printing Press	11,000
	<hr/>
<b>TOTAL</b>	<b>\$ 245,000</b>