

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF TRUSTEES OF THE
UNIVERSITY OF LOUISVILLE

February 24, 2023

In Open Session

Members of the University of Louisville Board of Trustees met in the Jefferson Room, Grawemeyer Hall, Belknap Campus, on February 24, 2023, at 11:02 a.m., with members present and absent as follows:

Present: Dr. Raymond Burse, Vice Chair, presiding
Dr. Larry Benz
Mr. Dorian Brown
Mr. Al Cornish
Mr. Brian Lavin
Ms. Diane Medley
Dr. Eugene Mueller
Mr. John Smith
Ms. Sherrill Zimmerman

Absent: Mr. Jerry Abramson
Ms. Mary Nixon
Ms. Diane Porter
Mr. James Rogers

From the
University: Dr. Kim Schatzel, President
Mr. Dan Durbin, Executive Vice President for Finance and Administration
Ms. Angela Curry, General Counsel & VP for Legal Affairs, & Chief of Staff
Mr. John Drees, Sr. Associate Vice President for Communications & Marketing
Mr. John Karman, Executive Director of Communications
Mr. Austin Gray, Assistant University Counsel
Mr. Chris Wooton, Director of Internal Communications
Ms. Carrie Whitmore, Asst. Dir. of University Planning, Design, and Construction
Mr. Jake Beamer, Dir. of Governance & Strategic Initiatives & Asst. Secretary

I. Call to Order

Vice Chair Burse called the roll and having determined a quorum present, called the meeting to order at 11:02 a.m.

He welcomed President Schatzel to her first Board of Trustees meeting.

Conflict of Interest Affirmation

The Vice Chair reminded all members of the board of their responsibility to avoid conflicts of interest and appearances of conflicts of interest. He stated each member has received the agenda and related information for this Board of Trustees' meeting.

Vice Chair Burse requested if any board member knows of any conflict of interest or appearance of conflict of interest with respect to any matter coming before the Board of Trustees at this meeting, to please identify the conflict or appearance of conflict at this time.

No conflicts were identified.

Approval of Minutes, 1-30-2023

Mr. Lavin made a motion, which Dr. Mueller seconded, to approve the minutes of the January 30, 2023, meeting.

The motion passed.

II. Action Item: Easement Agreement Modification

Vice President Curry briefed the board on the easement agreement between the University and the Speed Museum, explaining that the entities wish to modify an existing agreement so that the Museum can expand facilities on university property. She then fielded questions from trustees.

Ms. Zimmerman made a motion, which Mr. Smith seconded, to approve the

President's recommendation that the Board of Trustees approve an agreement between the University and the Speed Art Museum, as attached.

The motion passed.

III. Action Item: Special Distribution from an Endowment

EVP Durbin explained that the University Club has an endowment account that was created from a \$2 million gift intended to build and operate the club. The club's Board of Directors has written permission from the donor's representatives to liquidate a portion of the earnings from the endowment account in order to retain the services of a new firm as the operator of the club.

The UofL Foundation has approved that action contingent upon approval by the UofL Board of Trustees.

Mr. Durbin then answered trustees' questions.

Dr. Mueller made a motion, which Ms. Medley seconded, to approve the

President's recommendation that the Board of Trustees approve the special one-time distribution from the following endowment account:

- **Not to exceed \$567,500 from E0364 (University Club Endowment)**

The motion passed.

IV. Executive Session

Ms. Zimmerman made a motion, which Mr. Smith seconded, to recess to executive session to discuss proposed or pending litigation and personnel matters pursuant to KRS 61.810(1)(c) and (f).

The motion passed and the open meeting recessed at 11:11 a.m.

V. Open Meeting Reconvenes


The open meeting reconvened at 11:49 a.m. Vice Chair Burse reported that the board discussed proposed or pending litigation and personnel matters.

No action was taken.

VI. Adjournment

Ms. Zimmerman made a motion, which Mr. Lavin seconded, to adjourn. The motion passed and the meeting adjourned at 11:49 a.m.

Approved by:


Signature on file _____
Assistant Secretary

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF TRUSTEES OF THE
UNIVERSITY OF LOUISVILLE

February 24, 2023

In Executive Session

Present: Dr. Raymond Burse, Vice Chair, presiding
Dr. Larry Benz
Mr. Dorian Brown
Mr. Al Cornish
Mr. Brian Lavin
Ms. Diane Medley
Dr. Eugene Mueller
Mr. John Smith
Ms. Sherrill Zimmerman

From the
University: Dr. Kim Schatzel, President
Ms. Angela Curry, General Counsel & VP for Legal Affairs, & Chief of Staff
Mr. Jake Beamer, Dir. of Governance & Strategic Initiatives & Asst. Secretary

I. Call to Order

Vice Chair Burse called the executive session to order at 11:11 a.m.

II. Proposed or Pending Litigation

Ms. Curry briefed the board on proposed or pending litigation.

III. Personnel Matters


President Schatzel briefed the board on personnel matters.

IV. Adjournment

Mr. Smith made a motion, which Ms. Zimmerman seconded, to adjourn the executive session.

The motion passed, and the session adjourned at 11:47 a.m.

Approved by:


Signature on file _____
Assistant Secretary

RECOMMENDATION TO THE UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES
CONCERNING AN AGREEMENT BETWEEN THE
UNIVERSITY AND THE SPEED ART MUSEUM

Board of Trustees – February 24, 2023

RECOMMENDATION:

The President recommends that the Board of Trustees approve an agreement between the University and the Speed Art Museum, as [attached](#).

BACKGROUND:

The University and the Museum wish to modify an existing agreement relating to the boundary line of the tract of land set apart for the use of the Museum, and memorialize certain agreements, approvals and consents relating to the Museum's construction, maintenance, and operation of expanded Museum facilities on University property.

See pages 1-2 for the history and various other agreements between the two organizations.

BOARD ACTION:

Passed X

Did Not Pass

Other

 Signature on file
Assistant Secretary

AGREEMENT

THIS AGREEMENT (the “**Agreement**”) is made as of _____, 2023, by and between (i) the University of Louisville, a public institution of post-secondary education and an independent agency of the Commonwealth of Kentucky (the “**University**”), and (ii) The Speed Art Museum, a nonstock, nonprofit Kentucky Corporation (the “**Museum**”).

Premises:

The University and Hattie B. Speed entered into an "Original Declaration of Trust" executed on April 7, 1925 (the "**Original Declaration**"), pursuant to which Hattie B. Speed erected, on real property owned by the University, a building for a fine arts museum.

The University, Hattie B. Speed, and The J.B. Speed Memorial Museum (a body politic and corporate and the Museum's predecessor) entered into an "Agreement with University of Louisville" dated as of June 8, 1933 (the "**Agreement with the University**"), pursuant to which the parties amplified and clarified the Original Declaration in certain respects.

By judgment (the "**1945 Judgment**") dated June 19, 1945, in the matter styled The J.B. Speed Memorial Museum v. University of Louisville, No. 289254, the Chancery Branch of the Jefferson Circuit Court made certain determinations regarding the ownership, as between the University and the Museum, of properties that had been "'donated to the Museum' or donated to the J.B. Speed Memorial Museum for Museum purposes."

The University and the Museum entered into an "Agreement" dated as of April 25, 1957 (the "**1957 Agreement**"), pursuant to which the Museum consented to the closing of a portion of Shipp Street, and the University granted to the Museum an easement extending from the Museum's service entrance to the West line of Second Street and agreed to maintain the pavement along such easement.

The University and the Museum entered into an "Agreement Changing Property Line Between the Museum and the University" dated May 23, 1958 (the "**Agreement Changing Property Line**"), pursuant to which the parties agreed to change in certain respects the boundary lines of the tract of land set apart for the use of the Museum.

The University and the Museum entered into an "Affiliation Agreement" dated as of November 16, 1990 (the "**Affiliation Agreement**"), pursuant to which the parties made certain agreements regarding cooperative purchasing of certain information technology related goods and services.

The University and the Museum entered into an "Easement" dated May 13, 1997 (the "**Truck Turnaround Easement**"), pursuant to which the University granted to the Museum an easement (the "**Turnaround Easement**") to use a certain strip of real property for maneuvering, loading, unloading and temporarily parking trucks.

The University and the Museum entered into an "Agreement" dated June 23, 1998. (the "**1998 Agreement**"), pursuant to which the parties changed in certain respects the boundaries of the tract set apart for the use of the Museum, memorialized certain agreements regarding the Museum's

construction and use of the Museum's parking complex, and memorialized certain other operational agreements.

The University and the Museum entered into an "Agreement" dated November 7, 2006 (the "**2006 Agreement**"), pursuant to which the parties agreed to relocate the site encumbered by the Turnaround Easement and the University agreed to grant to the Museum an option (the "**Robbins Hall Option**"), to add certain real property (the "**Robbins Hall Property**") to the tract of land set aside for the use of the Museum, Robbins Hall and the associated real property, as more specifically indicated in the 2006 Agreement.

The University and the Museum entered into an "Option Agreement" dated December 12, 2006 (the "**Option Agreement**"), pursuant to which the University granted to the Museum the Robbins Hall Option.

The University and the Museum entered into an Easement dated December 12, 2006 (the "**2006 Truck Easement**"), pursuant to which the University granted to the Museum an easement for maneuvering, loading, unloading and temporarily parking trucks over the site to which the parties relocated the Turnaround Easement.

By letter dated June 5, 2008 (the "**Exercise Letter**"), the Museum exercised the Robbins Hall Option.

By Memorandum of Agreement (the "**MOA**") dated as of October 15, 2008, the Museum and the University agreed to a plan to merge the Museum's library holdings into the University's library system.

The University and the Museum entered into an "Agreement" dated December 21, 2011 (the "**2011 Agreement**"), pursuant to which the parties agreed to change the boundary line of the tract set apart for the use of the Museum, and memorialize certain agreements, approvals and consents relating to the Museum's construction, maintenance, and operation of expanded Museum facilities on the Robbins Hall Property.

The University and the Museum now desire to (a) change in certain respects the boundary line of the tract set apart for the use of the Museum, and (b) memorialize certain agreements, approvals and consents relating to the Museum's construction, maintenance, and operation of expanded Museum facilities on the Strickler Hall Property and Ekstrom Library Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Article 1 –Plans and Covenants

- 1.1. Approval of Plans. The University acknowledges that the Museum has presented to it "The Speed Art Museum Overall Expansion and Renovation Plan, Phase I-Enabling Scope-Construction Plans" dated December 2022 (the "**Phase I Plans**"), which include plans for:

- a) the construction of additional Museum parking;
- b) the reconfiguration of access to the Museum loading dock for operating, maneuvering, loading, unloading consumer and commercial trucks and other large motor vehicles and for pedestrian use;
- c) truck access to the Museum loading dock;
- d) improvements to the University Quad area, including paving, planting, and lighting, and the ongoing management and maintenance of the University Quad area;
- e) the relocation of the entry drive on 3rd Street; and
- f) the relocation of raised garden beds in the University Quad area.

The University hereby confirms its approval of the Phase I Plans. Any material changes to the Phase I Plans must be approved in writing by the University.

- 1.2. Museum Responsibilities. The Museum agrees to (a) design, fund, oversee, and complete (or cause its contractors to complete) all construction as described in the Phase I Plans in compliance with all Legal Requirements (defined below) and substantially within the timeframes referenced in the Phase I Plans, subject to delays caused by events of force majeure; (b) use commercially reasonable efforts to limit any interference with the University's operations during construction; (c) not permit any mechanics' or materialmen's liens to be levied against the Museum Property (defined below) for any labor or material performed or supplied by or on behalf of the Museum; (d) at its sole expense, use and/or occupy the Museum Property in compliance with all laws, ordinances, rules, regulations, orders, requirements, judgments, codes, directives, permits, licenses, covenants, and restrictions now or hereafter applicable to the Museum Property (collectively, "**Legal Requirements**"); (e) as to all Museum Property (defined below), maintain commercially reasonable commercial general liability insurance, worker's compensation insurance, employers liability insurance, commercial property insurance, and commercial automobile insurance naming the University as an additional insured (if applicable) and providing a certificate of insurance that reflects such coverage to the University upon request; (f) be fully responsible, at its sole cost and expense, for the operation, maintenance, and repair of the Museum Property, including all landscaping and improvements thereon; (g) timely pay all contractors with respect to the work contemplated herein, and provide final unconditional lien waivers (or conditional with proof of payment) from all contractors performing work pursuant to the Phase I Plans; (h) cause its contractors to carry insurance meeting the requirements set forth in Section 1.2(e) naming the University as an additional insured and providing certificates of insurance that reflects such coverage to the University upon request; and (i) cause its contractors to indemnify the University from and against any and all liability arising from or relating to any sort of negligence whatsoever in connection with activities conducted by the contractors pursuant to their respective agreements with the Museum. "**Museum Property**" shall mean the property set apart for the use of the Museum pursuant to Section 2.4 of this Agreement, as the same may be amended, and all easement areas for the Museum's benefit located on

property owned by the University or its affiliates, regardless of whether the easement is created in this Agreement or by a prior agreement between the University and the Museum.

Article 2 – Changes to Boundary Lines; Certain Easements

2.1. Access Easement. The University agrees to grant to the Museum an easement (the "**Access Easement**"), in the form of Exhibit 2.1 attached hereto and incorporated herein by this reference, to use the area shown on Schedule 2.1 attached hereto and incorporated herein by this reference, for vehicular access from Cardinal Avenue, around the circle, through the gate, and for deliveries to the Museum. The University agrees to grant the Access Easement concurrently with the execution and delivery of this Agreement. The Museum agrees to assume responsibility for any injury to the person or property of pedestrians within the Access Easement during truck deliveries.

2.2. Future Change of Boundary Lines. The parties acknowledge that, upon completion of Phase 2 of its improvements, the Museum contemplates that it will no longer require the portion of the area set apart for its use indicated on Schedule 2.2 and noted as "Area to Be Conveyed to U of L". Accordingly, at that time, the parties agree to further modify the boundaries of the real property set apart for the Museum's use so as to eliminate the area shown on Schedule 2.2.

2.3. Intentionally deleted.

2.4. Changes to Boundary Lines. Each of the parties acknowledges that, pursuant to the Original Declaration, as modified by the Agreement with University, the 1945 Judgment, the 1957 Agreement, the Agreement Changing Property Line, the 1998 Agreement, the 2006 Agreement, the 2006 Truck Easement, the Robbins Hall Agreement, the Option Agreement, and the Exercise Letter, the University has set apart certain of its real property for the use of the Museum. The University and the Museum agree that, effective as of the date of this Agreement, the portion of the University's property set apart for the use of the Museum is hereby amended, supplanted, and modified so that, as amended, supplanted, and modified, it shall be as indicated on Schedule 2.4 attached hereto and incorporated herein by this reference. The parties agree to cause this Agreement to be recorded in the real estate records of the office of the Clerk of Jefferson County.

Article 3 – Certain Undertakings

3.1. Management of Traffic Control Gate. The University and the Museum will continue to jointly manage the traffic control gate shown on Schedule 3.2 of the 2011 Agreement.

3.2. Raised Garden Beds. The University shall oversee the relocation of the raised garden beds as shown on the Phase I Plans. The University and the Museum will reasonably coordinate with each other's respective contractors with respect to said relocation. The Museum shall provide a one-time reimbursement to the University for the cost of relocating the raised garden beds.

Article 4 – General Provisions

4.1. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

4.2. Section Headings. The section headings in this Agreement are for convenience of reference only and shall not be construed as a part of this Agreement.

4.3. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by each party on separate copies, which copies, when combined so as to include the signatures of all parties, shall constitute a single counterpart of this Agreement.

4.4. Notices. All notices and other communications hereunder shall be in writing and shall be delivered by hand, sent by telex or telecopy, or mailed by certified mail, return receipt requested, postage prepaid, addressed as indicated below:

If to the University:

University of Louisville
Administration Building
Louisville, Kentucky 40292
Attn: _____

With a copy to:

University of Louisville
Grawemeyer Hall, Room 206
Louisville, Kentucky 40292
Attn: General Counsel

If to the Museum:

The Speed Art Museum
2035 South Third Street
Post Office Box 2600
Louisville, Kentucky 40201-2600
Attn: _____

With a copy to:

Dinsmore & Shohl LLP
101 South Fifth Street, Suite 2500
Louisville, KY 40202
Attn: Clifford H. Ashburner

The address for any party may be changed from time to time by providing notice in the manner set forth in this Agreement.

4.5. Amendments. No variation, modification, waiver or amendment of this Agreement shall be effective unless in writing and executed by the University and the Museum.

4.6. Covenants Running With Land. The terms and provisions of this Agreement shall be considered a covenant running with the land and shall be binding on the parties hereto and their respective successors and assigns, and may be enforced by civil action in law or equity in any court of competent jurisdiction.

4.7. Effect. This Agreement shall control to the extent of any conflict between this Agreement and any prior agreement executed by the parties hereto concerning any Museum Property as defined herein.

IN TESTIMONY WHEREOF, each of the parties has caused its duly authorized representative to duly execute and deliver this Agreement, effective as of the date first above written.

THIS INSTRUMENT PREPARED BY:

CLIFFORD H. ASHBURNER, ESQ.
DINSMORE & SHOHL, LLP
101 South Fifth Street, Suite 2500
Louisville, KY 40202
Telephone: (502) 540-2400
clifford.ashburner@dinsmore.com

Exhibit 2.1

ACCESS EASEMENT AGREEMENT

THIS ACCESS EASEMENT AGREEMENT (this “**Agreement**”) is made as of the _____ day of _____ 2023, by and between the University of Louisville, a public institution of post-secondary education and an independent agency of the Commonwealth of Kentucky (the “**Grantor**”), with an address at Administration Building, Louisville, Kentucky 40292, Attn: _____, and The Speed Art Museum (the “**Grantee**”), a nonprofit Kentucky corporation with an address at 2035 S. Third Street, Louisville, Jefferson County, Kentucky 40201.

WITNESSETH:

THAT WHEREAS, the Grantor is the owner in fee simple of certain real property (the “**Burdened Property**”) located in Jefferson County, Kentucky, and more particularly described in a deed recorded in Deed Book _____, Page _____ in the Office of the Clerk of Jefferson County, Kentucky (the “Clerk's Office”); and

WHEREAS, pursuant to the Agreement dated _____, 2023 with the University, the Grantee operates a museum of fine arts on certain real property (the “**Benefitted Property**”) and is generally known as 2035 South Third Street, Louisville, Jefferson County, Kentucky; and

WHEREAS, the Grantor, as owner of the Burdened Property, desires to grant to Grantee, a non-exclusive easement over a portion of the Burdened Property in the place shown on the plat attached hereto as Schedule 2.1 (the “Easement Area”) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Grantor and Grantee, for themselves and their successors and assigns, do hereby agree as follows:

1. **Grant of Easement-Construction Use.** Grantor does hereby grant and convey unto the Grantee (i) a non-exclusive easement, for the period from February _____, 2023, through and including December 31, 2026, over, under, and across the Easement Area for constructing, using, maintaining, and repairing a road for operating, maneuvering, loading, and unloading consumer and commercial trucks and other large motor vehicles, and (ii) a non-exclusive easement, for the period from February _____, 2023, through and including December 31, 2026, over, under, and across the portion of the Burdened Property located within 10' of each side of the Easement Area for maintenance or repair of certain landscaping improvements within such portions of the Burdened Property.
2. **Grant of Easement-Permanent Use.** For so long as the Benefitted Property or any portion thereof continues to be reserved and set apart for the use of the Grantee and its successors, Grantor does hereby grant and convey unto the Grantee a non-exclusive, perpetual easement over, under, and across the Easement Area for operating, maneuvering, loading, and unloading consumer and commercial trucks and other large motor vehicles and for pedestrian use, in each case for access to and from the Benefitted Property consistent with the historical use of the Easement Area.

3. **Miscellaneous.**

- a) Grantor covenants that it is the owner of fee simple title to the Burdened Property and that no consent, waiver or approval is necessary for Grantor's execution and delivery of this Agreement.
- b) The terms of this Agreement may not be modified except by the joint written agreement of Grantee and Grantor, except that Grantee shall have the unilateral right to terminate this Agreement at any time. Upon any termination of this Agreement, Grantee shall surrender the Easement Area to Grantor in its then current condition.
- c) The terms and provisions of this Agreement shall be considered a covenant running with the land and shall be binding on the parties hereto and their respective successors and assigns, and may be enforced by civil action in law or equity in any court of competent jurisdiction.
- d) Invalidation of any one of these provisions by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.
- e) This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be duly executed by their duly authorized officers the day and year first written.

University of Louisville

By: _____

Title: _____

COMMONWEALTH OF KENTUCKY)

)

COUNTY OF JEFFERSON)

The forgoing instrument was subscribed, sworn to and acknowledged before me this _____ day of _____, 2023, by _____ as _____ of the University of Louisville, a public institution of post-secondary education and an independent agency of the Commonwealth of Kentucky, on behalf of said university.

My commission expires: _____.

NOTARY PUBLIC, STATE-AT-LARGE, KY

The Speed Art Museum

By: _____

Title: _____

COMMONWEALTH OF KENTUCKY)

)

COUNTY OF JEFFERSON)

The forgoing instrument was subscribed, sworn to and acknowledged before me this ____ day of _____, 2023, by _____ as _____ of The Speed Art Museum, a nonstock, nonprofit Kentucky corporation, on behalf of said corporation.

My commission expires: _____.

NOTARY PUBLIC, STATE-AT-LARGE, KY

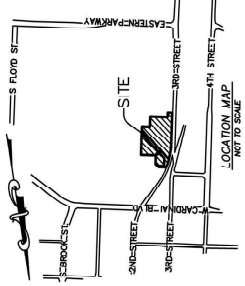
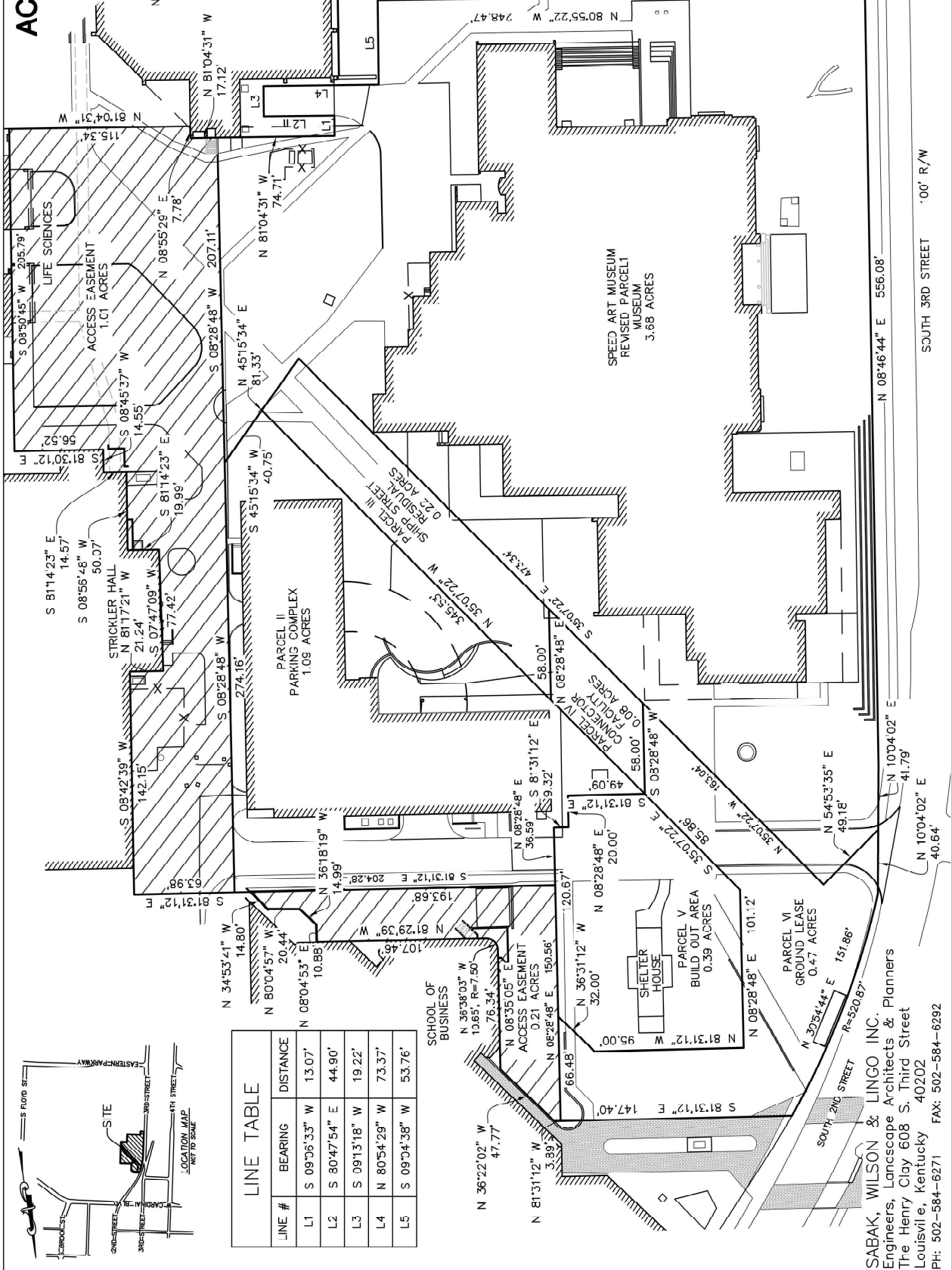
THIS INSTRUMENT PREPARED BY:

CLIFFORD H. ASHBURNER, ESQ.
DINSMORE & SHOHL, LLP
101 South Fifth Street, Suite 2500
Louisville, KY 40202
Telephone: (502) 540-2400
clifford.ashburner@dinsmore.com

ACCESS EASEMENT SCHEDULE 2.1



NORTH AND A.L. BEARINGS SHOWN HEREON ARE BASED ON GRID NORTH OF THE KENTUCKY STATE PLANE COORDINATE SYSTEM, NORTH ZONE (NAD 83)



LINE #	BEARING	DISTANCE
L1	S 09°06'33" W	13.07'
L2	S 80°47'54" E	44.90'
L3	S 09°13'18" W	19.22'
L4	N 80°54'29" W	73.37'
L5	S 09°04'38" W	53.76'

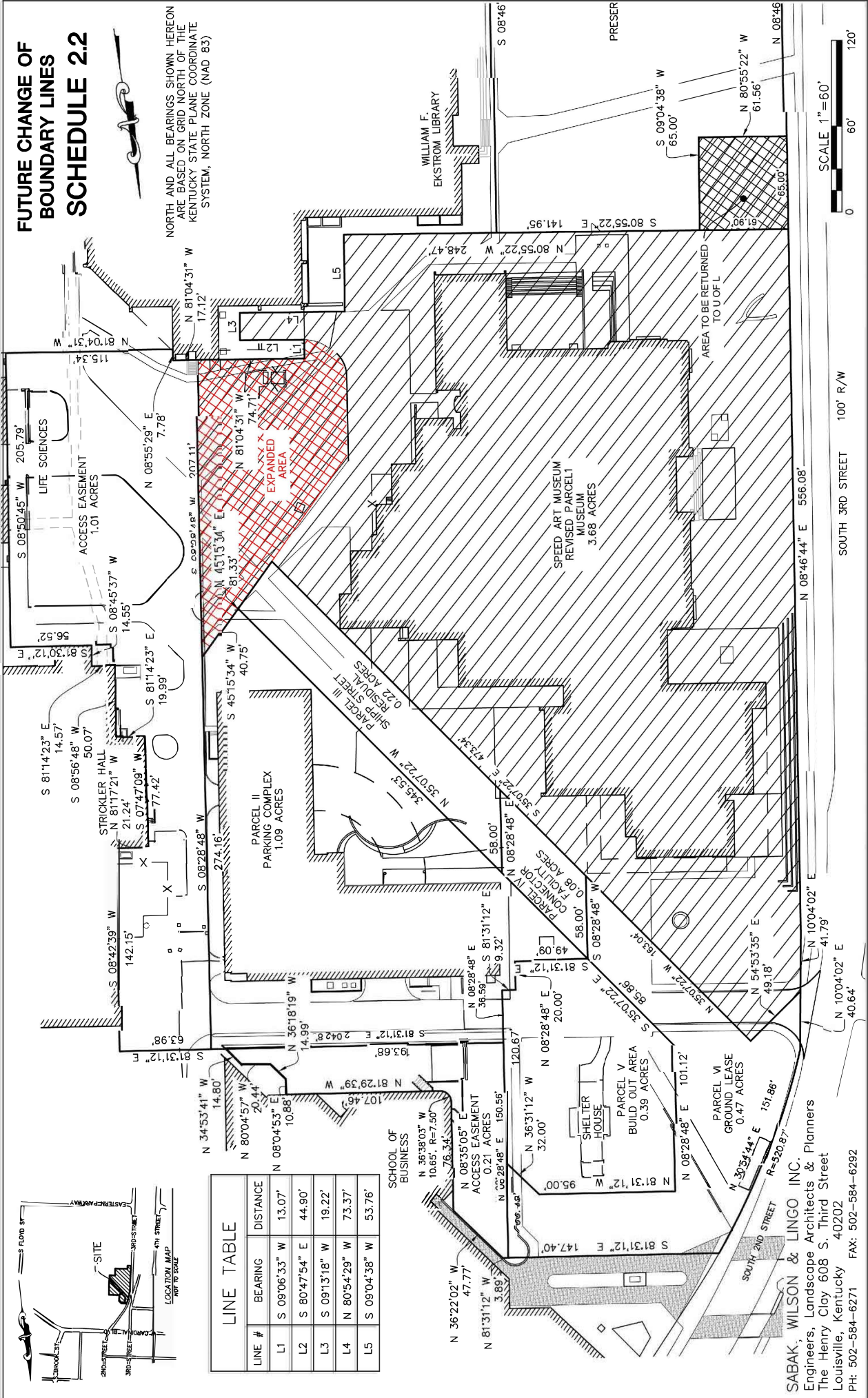


SABAK, WILSON & LINGO INC.
 Engineers, Landscape Architects & Planners
 The Henry Clay 608 S. Third Street
 Louisville, Kentucky 40202
 PH: 502-584-6271 FAX: 502-584-6292

FUTURE CHANGE OF BOUNDARY LINES SCHEDULE 2.2



NORTH AND ALL BEARINGS SHOWN HEREON
ARE BASED ON GRID NORTH OF THE
KENTUCKY STATE PLANE COORDINATE
SYSTEM, NORTH ZONE (NAD 83)



LINE TABLE	
LINE #	BEARING DISTANCE
L1	S 09°06'33" W 13.07'
L2	S 80°47'54" E 44.90'
L3	S 09°13'18" W 19.22'
L4	N 80°54'29" W 73.37'
L5	S 09°04'38" W 53.76'

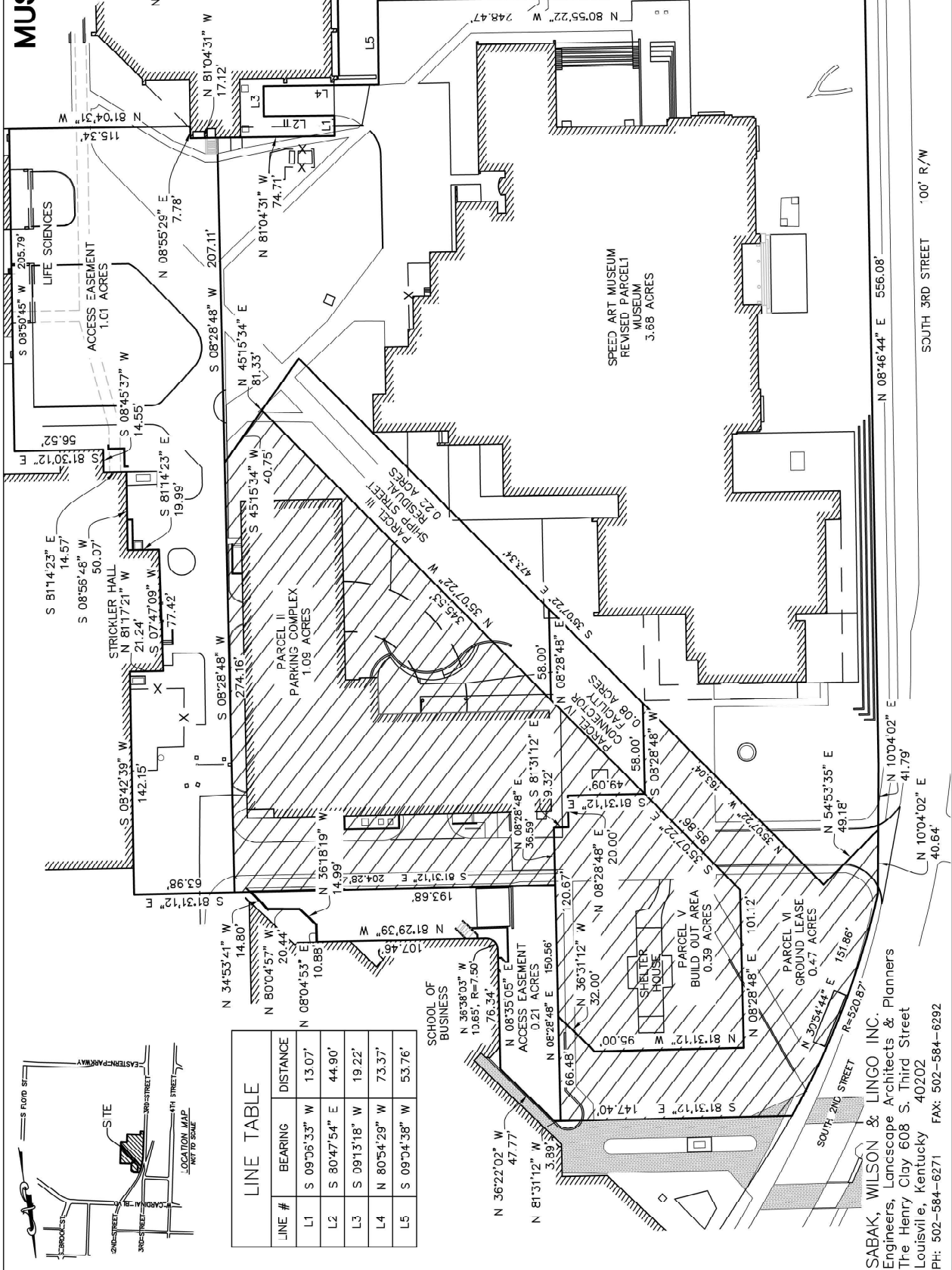
DATE: 12/14/22 SCALE: 1"=60' JOB NO.: 2722-02

SABAK, WILSON & LINGO INC.
Engineers, Landscape Architects & Planners
The Henry Clay 608 S. Third Street
Louisville, Kentucky 40202
PH: 502-584-6271 FAX: 502-584-6292

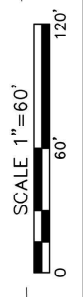
MUSEUM BOUNDARY SCHEDULE 2.4



NORTH AND A.L. BEARINGS SHOWN HEREON ARE BASED ON GRID NORTH OF THE KENTUCKY STATE PLANE COORDINATE SYSTEM, NORTH ZONE (NAD 83)



LINE #	BEARING	DISTANCE
L1	S 09°06'33" W	13.07'
L2	S 80°47'54" E	44.90'
L3	S 09°13'18" W	19.22'
L4	N 80°54'29" W	73.37'
L5	S 09°04'38" W	53.76'



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 Louisville, Kentucky 40202
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MUSEUM BOUNDARY SCHEDULE 2.4

Revised Museum, Parcel I

Beginning at a point, thence North 54°53'35"East, 49.18 feet to a point; thence South 35°07'22"East, 473.34 feet to a point; thence North 45°15'34"East, 81.33 feet to a point; thence South 08°28'48"West, 207.11 feet to a point; thence North 81°04'31"West, 74.71 feet to a point; thence South 09°06'33"West, 13.07 feet to a point; thence South 80°47'54"East, 44.90 feet to a point; thence South 09°13'18"West, 19.22 feet to a point; thence North 80°54'29"West, 73.37 feet to a point; thence South 09°04'38"West, 53.76 feet to a point; thence North 80°55'22"West, 248.47 feet to a point; thence South 09°04'38"West, 65.00 feet to a point; thence North 80°55'22"West, 61.56 feet to a point; thence North 08°46'44"East, 65.00 feet to a point; thence North 08°46'44"East, 491.08 feet to a point; thence North 10°04'02"East, 41.79 feet to the point of beginning, having an area of 3.676 acres.

Parking Complex, Parcel II

Beginning at a point, thence South 81°31'12"East, 49.09 feet to a point; thence North 08°28'48"East, 20.00 feet to a point; thence South 81°31'12"East, 9.32 feet to a point; thence North 08°28'48"East, 36.59 feet to a point; thence South 81°31'12"East, 204.28 feet to a point; thence South 08°28'48"West, 274.16 feet to a point; thence South 45°15'34"West, 40.75 feet to a point; thence North 35°07'22"West, 345.53 feet to the point of beginning, having an area of 1.085 acres.

Shipp Street, Parcel III

Beginning at a point, thence North 08°28'48"East, 58.00 feet to a point; thence South 35°07'22"East, 260.83 feet to a point; thence South 45°15'34"West, 40.57 feet to a point; thence North 35°07'22"West, 225.61 feet to the point of beginning, having an area of 0.223 acres.

Connector Facility, Parcel IV

Beginning at a point, thence South 08°28'48"West, 58.00 feet to a point; thence South 35°07'22"East, 84.70 feet to a point; thence North 08°28'48"East, 58.00 feet to a point; thence North 35°07'22"West, 84.70 feet to the point of beginning, having an area of 0.078 acres.

Build Out Area, Parcel V

Beginning at a point, thence North 08°28'48"East, 101.12 feet to a point; thence South 81°31'12"East, 95.00 feet to a point; thence South 36°31'12"East, 32.00 feet to a point; thence South 08°28'48"West, 120.67 feet to a point; thence North 81°31'12"West, 9.32 feet to a point; thence South 08°28'48"West, 20.00 feet to a point; thence North 81°31'12"West, 49.09 feet to a point; thence North 35°07'22"West, 85.86 feet to the point of beginning, having an area of 0.389 acres.

Ground Lease, Parcel VI

Beginning at a point, thence North 10°04'02"East, 40.64 feet to a point; thence with a curve to the right with an arc with a radius of 520.87 feet, and a chord of North 30°54'44"East, 151.86 feet to a point; thence South 81°31'12"East, 147.40 feet to a point; thence South 08°28'48"West, 66.48 feet to a point; thence North 36°31'12"West, 32.00 feet to a point; thence North 81°31'12"West, 95.00 feet to a point; thence South 08°28'48"West, 101.12 feet to a point; thence South 35°07'22"East, 85.86 feet to a point; thence South 08°28'48"West, 58.00 feet to a point; thence North 35°07'22"West, 163.04 feet to a point; thence South 54°53'35"West, 49.18 feet to the point of beginning, having an area of 0.467 acres.

SABAK, WILSON & LINGO INC.
Engineers, Landscape Architects & Planners
The Henry Clay
608 S. Third Street
Louisville, Kentucky 40202
PH: 502-584-6271 FAX: 502-584-6292

DATE: 01/12/23

SCALE: NO SCALE
JOB NO.: 2722

RECOMMENDATION TO THE UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES
REGARDING THE SPECIAL DISTRIBUTION FROM AN ENDOWMENT

Board of Trustees – February 24, 2023

RECOMMENDATION:

The President recommends that the Board of Trustees approve the special one-time distribution from the following endowment account:

- Not to exceed \$567,500 from E0364 (University Club Endowment)

BACKGROUND:

The University Club (U Club) was created from a \$2M gift intended to build and operate a club to benefit the university alumni, faculty, and staff. The current endowment balance is approximately \$3.5M, and the University passes the annual UofL Foundation-provided spending distribution through to the U Club to help fund their operations.

The U Club's board of directors would like to retain the services of a new firm (Creating Dining Services) as the operator of the club. In order to do so, the U Club has requested a special one-time distribution of earnings from the account (not to exceed \$567,500) over the next 2 years to cover existing debt and restart costs (the club has operated at a loss for years and was closed throughout the COVID-19 pandemic, compounding losses). The U Club has written permission from the donor's representatives to liquidate a portion of the earnings and the UofL Foundation has approved that action contingent upon approval by the UofL Board of Trustees. These funds are in addition to the fund's annual spending distributions.

Note: The U Club is not a University unit nor does the University have any control over its operations. It is governed by a separate board of directors (17 members including one from Alumni and one from the President's Office) and its finances and operations are not tied to the University. The U Club files its own IRS Forms 990 and financials, employs its own employees, and pays its own building costs. Further, the building it occupies was donated to the University several years ago and the University leases it back to the U Club for \$1 per year.

Additional information is [attached](#).

BOARD ACTION:

Passed X

Did Not Pass

Other

 Dr
Signature on file
 sk
Assistant Secretary



**P. O. Box 21329
Louisville, KY 21329**

**502-852-6996
Fax 852-0163**

January 12, 2023

University of Louisville
Board of Trustees
Foundation Trustees
Belknap Campus Louisville,
Kentucky 40292

Dear Trustee Members,

On behalf of the University Club Board of Directors, I am pleased to provide you with the updated three-year budget that includes the initial start-up costs for the reopening of the Club in addition to a three-year budget plan. The Club will reopen using Creative Dining Services as its operator.

Financially, after evaluating and again reviewing projections you will see that our request for an additional draw on our endowment has come in at \$567,337 to be paid over a two-year period. This will allow the Club to resume operations and continue to serve the campus community.

We are in the process of negotiating an agreement with Aramark to confirm a payment plan. Their regional leadership team has expressed their openness to finalize a payment plan that will work for the University Club.

It is also important to note that the University Club's Board of Directors will continue our process of monitoring the financial operations of the Club via the Finance Committee, the Executive Committee and the monthly financial updates provided to our board by both committees and the General Manager. We will also share these quarterly and annual reports with the University CFO so the University remains aware of the progress. If the Club experiences adverse budget variances that causes larger than anticipated losses or insufficient revenues to cover its costs during two consecutive quarters we will develop and implement a remediation strategy to correct those losses. If the adverse variances continue, the Club will begin a wind down process whereas it will cease current operations and work with the university to transition the facilities to university management, free from any financial obligations.

We are very fortunate to have established a relationship with Creative Dining Services are appreciative of the consideration of this request by the University and Foundation Boards.

In summary, we are asking both boards to authorize \$567,337 be liquidated from the University Club of Louisville endowment over a two-year period.

We appreciate your consideration of our request.

Sincerely,

Jeanine Triplett

Jeanine Triplett President
University Club of Louisville
Board of Directors

REVENUE	Start up Months April-June	1st year (July 2023)	2nd Year	3rd Year
Current Cash on Hand	150,000			
Food, Beverage & Operations:				
Food and Beverage Revenue				
Soft Drinks	\$ 2,937	\$ 11,748	\$ 14,098	\$ 14,944
Lunch Sales	\$ 27,534	\$ 110,137	\$ 137,671	\$ 145,932
Dinner Sales	\$ 300	\$ 1,199	\$ 1,438	\$ 1,525
Club Events	\$ 22,562	\$ 90,248	\$ 117,322	\$ 124,361
Club Bev sales	\$ 1,572	\$ 6,287	\$ 8,173	\$ 8,663
Other Income	\$ 54,899	\$ 219,597	\$ 263,516	\$ 279,327
Catering food	\$ 187,890	\$ 751,559	\$ 977,027	\$ 1,035,648
Catering Bev sales	\$ 10,189	\$ 40,756	\$ 52,982	\$ 56,161
Total Food & Beverage Revenue	\$ 307,883	\$ 1,231,530	\$ 1,572,228	\$ 1,666,562
Food spending minimums	\$ 1,176	\$ 4,704	\$ 5,645	\$ 6,209
Room Rental	\$ 9,062	\$ 36,249	\$ 47,123	\$ 51,836
Food & Beverage Expense				
Cost of Goods Sold	\$ 70,523	\$ 282,093	\$ 304,660	\$ 319,893
Supplies and Repairs	\$ 6,047	\$ 24,188	\$ 26,123	\$ 27,429
Laundry Expense	\$ 8,569	\$ 34,275	\$ 37,017	\$ 38,868
Music and Decorations	\$ 936	\$ 3,743	\$ 4,042	\$ 4,244
Other F/B expense	\$ 2,937	\$ 11,748	\$ 12,688	\$ 13,322
Food & Beverage Expense Total	\$ 89,012	\$ 356,047	\$ 384,531	\$ 403,757
Gross Profit/ (Loss) Food & Beverage	\$ 229,109	\$ 916,436	\$ 1,240,466	\$ 1,320,850
General Operating Expenses				
Total Payroll Expense	\$ 213,926	\$ 855,704	\$ 889,932	\$ 943,328
Paper & Disposables	\$ 1,035	\$ 4,141	\$ 4,265	\$ 4,393
Janitorial	\$ 2,484	\$ 9,938	\$ 10,236	\$ 10,543
China, Glass, Silver	\$ 335	\$ 139	\$ 143	\$ 148
Smallwares	\$ 828	\$ 3,313	\$ 3,412	\$ 3,514
Flowers/Decor.	\$ 1,035	\$ 4,141	\$ 4,265	\$ 4,393
Laundry/Uniforms	\$ 7,246	\$ 28,985	\$ 29,854	\$ 30,750
Pest Control	\$ 178	\$ 713	\$ 734	\$ 756
Commissions	\$-	\$-	\$-	\$-
License/Permits	\$ 311	\$ 1,242	\$ 1,279	\$ 1,318
Equipment Rental	\$-	\$-	\$-	\$-
Equipment Repair	\$-	\$-	\$-	\$-
Automotive	\$-	\$-	\$-	\$-
Training & Dev.	\$ 248	\$ 994	\$ 1,024	\$ 1,054
Recruitment & Relocation	\$ 311	\$ 1,242	\$ 1,279	\$ 1,318
Travel	\$ 311	\$ 1,242	\$ 1,279	\$ 1,318
Office Supplies	\$-	\$-	\$-	\$-
CATERTRAX	\$ 621	\$ 2,484	\$ 2,559	\$ 2,636
Printing	\$ 414	\$ 1,656	\$ 1,706	\$ 1,757
Telephone	\$ 621	\$ 2,484	\$ 2,559	\$ 2,636
General Insurance	\$-	\$-	\$-	\$-
Computer Costs	\$ 932	\$ 3,727	\$ 3,838	\$ 3,954
Taxes	\$ 353	\$ 1,411	\$ 1,453	\$ 1,497
Bank Fees	\$ 23	\$ 92	\$ 95	\$ 98
General Operating Expense Total	\$ 230,912	\$ 923,648	\$ 959,915	\$ 1,015,410
Net Profit/(Loss) from Operations	\$ (1,803)	\$ (7,212)	\$ 280,551	\$ 305,440
Administrative Activities:				
Administrative Revenues				
Member Dues and Fees	\$ 57,750	\$ 252,000	\$ 316,800	\$ 365,904
Endowment Income	\$ -	\$ 128,000	\$ 128,000	\$ 128,000
Additional Foundation Draw Requested	\$ 202,542	\$ 364,795		
Member Donations	\$ 840	\$ 3,359	\$ 4,031	\$ 4,434
Gaming	\$ 1,375	\$ 5,500	\$ 5,500	\$ 5,500
Other Income	\$ 63,009	\$ 252,034	\$ 252,034	\$ 252,034
Finance Charge	\$ 924	\$ 3,697	\$ 4,436	\$ 4,880
Total Administrative Revenue	\$ 326,440	\$ 1,009,385	\$ 710,801	\$ 760,752
Administrative Expenses				
Supplies and Repairs	\$ 5,542	\$ 22,169	\$ 22,169	\$ 22,169
Promotions	\$ 7,219	\$ 28,877	\$ 28,877	\$ 28,877
Insurance/Taxes and Lic	\$ 30,742	\$ 122,966	\$ 122,966	\$ 122,966
Maintenance/Utilities	\$ 47,204	\$ 188,817	\$ 188,817	\$ 188,817
Other Expenses	\$ 95,722	\$ 382,886	\$ 382,886	\$ 382,886
Administrative Expenses Total	\$ 186,429	\$ 745,715	\$ 745,715	\$ 745,715
Management Fee	\$ 20,000	\$ 80,000	\$ 90,000	\$ 92,700
Aramark Repayment	\$ 176,458	\$ 176,458		
Start-up expenses	\$ 91,750	\$ -	\$ -	\$ -
Net Profit/(Loss) Administrative Activity	\$ (148,197)	\$ 7,212	\$ (124,914)	\$ (77,663)
Total Profit/(Loss)	\$ (0)	\$ 0	\$ 155,637	\$ 227,777

CREATIVE DINING SERVICES®

Complete Hospitality Management

University Club of Louisville: Revised Financial Projection Notes

The projected operating budget is based on historical financial data provided by the University Club for fiscal year 2019. Our initial projections have been revised based on new information gathered during the presentation of our services. Creative Dining and the University Club mutually agrees that there may have been some inaccuracies in the financial data that was provided and which we have built our operating projections on for the first year. We anticipate we will experience a great deal of learning, menu improvements, service additions and membership growth, which will put us on the path to profitability for the 2nd year. To account for some of the unknowns and to work together in the spirit of partnership we are offering to reduce our management fee for the first year from \$90,000 to \$80,000.

REVISED ASSUMPTIONS

Proposed financial projections were based on financial information provided by the Club for FY 2019

Year 1- 550 members. Year 2- 660 Members. Year 3- 726 Members

Year 1 monthly membership rate of \$35 per member. Year 2 monthly membership rate of \$40 per member.

Year 3 monthly membership rate of \$42 per member

Payroll costs were developed from current market rates for Louisville, KY

University Club to hold the liquor license and pay all associated fees or costs to maintain the license

Scope of work will be mutually agreed upon

Days and hours of operation will be set by the Club

All menu prices will be set by the Club

Membership fees will be set by the Club

All administrative income and administrative expenses are accounted for in the proforma, but mutually agreed upon KPI's for this income and expenses will need to be defined

Any unamortized investment from a prior contract will not carry over to an agreement with Creative Dining

University Club owns and will supply all technology

University Club owns and will supply all kitchen equipment and serviceware

All employees will be on Creative Dining payroll

BUSINESS PLAN NOTES

Administrative Income:

INFORMATION PROVIDED BY UCL - "Other Administrative Income" defined as Audit way of posting rent on building expense and administrative (month x 12)

Finance Charge:

Information provided by the University Club, "5% of balance on members unpaid accounts"

Administrative Expenses:

Information provided by the University Club, Administrative expenses includes insurance (liability, building, officers and employees), rent, rentals, legal fees, audit fees and tax filing. Creative Dining is unsure how these expenses would change for future projections

We welcome the opportunity to discuss, clarify and collaborate on our assumptions and financial details to develop a model that aligns with the current and future goals of the University Club

vote July 27, 2022 to close the Club, terminate the lease and liquidate the assets. There will be no other alternative.

We appreciate any consideration you can give this request along with any response you have.

Thank you,

Bixler W. Howland

BIXLER W. HOWLAND, P.S.C.
Attorney At Law and Certified Mediator
2721 Taylorsville Road
Louisville, Kentucky 40205
Office: 502-582-3711
Direct: 502-694-9960
Fax: 502-694-9962
Bixler@loulaw.com
Loulaw.com
TheCivilMediator.com
(Now offering online Zoom mediations)

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RESOLUTION

Having considered the above background statement and discussions with The University Club leadership:

I authorize the conversion of the current University Club "permanent endowment" account – resulting from the 1988 Mary and Barry Bingham, Sr., \$2,000,000.00 donation – to a "quasi endowment" account to be used by ULC, Inc.'s Board of Directors, at their sole discretion, determination and timing, to subsidize the operating expenses of ULC, Inc.'s operations as The University Club. Use of this

"quasi endowment" for any other purpose(s) or by any other entity or individual is not authorized or permitted.

"Operating expenses" under this authorization include all expenses determined by The University Club's Board of Directors to be necessary for the successful, ongoing operation of The University Club, including expenses for repairs, maintenance, refurbishment, operating management and contracts.

AUTHORIZED BY: Signature on file
PRINT NAME: Sallie Bingham
RELATIONSHIP TO BINGHAM DONORS: daughter
DATE: July 23, 2022

RESOLUTION

Having considered the above background statement and discussions with The University Club leadership:

I authorize the conversion of the current University Club "permanent endowment" account – resulting from the 1988 Mary and Barry Bingham, Sr., \$2,000,000.00 donation – to a "quasi endowment" account to be used by ULC, Inc.'s Board of Directors, at their sole discretion, determination and timing, to subsidize the operating expenses of ULC, Inc.'s operations as The University Club. Use of this "quasi endowment" for any other purpose(s) or by any other entity or individual is not authorized or permitted.

"Operating expenses" under this authorization include all expenses determined by The University Club's Board of Directors to be necessary for the successful, ongoing operation of The University Club, including expenses for repairs, maintenance, refurbishment, operating management and contracts.

AUTHORIZED BY Signature on file

PRINT NAME: Eleanor Bingham Miller

RELATIONSHIP TO BINGHAM DONORS: DAUGHTER

DATE: 08/08/22

Edith S. Bingham
P.O. Box 64
Glenview, Kentucky 40025
(502) 893-3165
edithsbingham@gmail.com

August 24, 2022

Dear University of Louisville Foundation,

I am writing to inform you that it has been brought to my attention that my name is listed as a trustee of the University Club Endowment established by Barry Bingham, Sr.

Please know that while I have been very supportive of the University Club over the years and I believe it has an important role in the University ~~Club~~ Community, I do not desire to be listed as a trustee, so please remove my name from this list. Our family agrees that the two trustees are Sallie Bingham and Eleanor Bingham Miller.

Sincerely,

Signature on file

Edith S. Bingham