

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 10 – I

DATE: June 27-29, 2017

SUBJECT: Revised Resolution to Remove Humbert Hall from the Housing and Auxiliary Facilities System

On June 10-11, 2015, the Board authorized the removal of Humbert and Pangburn residence halls on the campus of Black Hills State University from the Housing and Auxiliary Facilities System created pursuant to the Amended and Restated Bond Resolution adopted by the Board on October 21, 2004, as amended and supplemented.

The intent was to remove Humbert Hall as it was to be repurposed and no longer serve as an economic benefit to the BHSU Housing and Auxiliary Facilities System and to remove Pangburn Hall because it was physically and structurally unfit for use as a student residence hall. While this was clear in the cover of the Board item, the actual resolution removed both facilities because they were “physically and structurally unfit for use and occupancy as student residence halls and should therefore be abandoned for economic non-feasibility and removed from the list of facilities of the BHSU Institutional System”.

This item includes a resolution clarifying the determination of the Board as to the reason for the removal of Humbert Hall from the Black Hills State University Institutional System. Approval of the attached resolution will correct the reason for removing Humbert Hall from the BHSU Institutional System because it no longer generated net revenues of the System, since it was obsolete when compared to newer residence halls that offered more amenities.

DRAFT MOTION 20170627_10-I: I move to approve the revised resolution to remove Humbert Hall from the Auxiliary System (requires a roll call vote).

A RESOLUTION CLARIFYING THE DETERMINATION FOR REMOVING
HUMBERT HALL AT BLACK HILLS STATE UNIVERSITY FROM THE
HOUSING AND AUXILIARY FACILITIES SYSTEM

* * *

WHEREAS, under the terms and provisions of South Dakota Codified Laws, Chapter 13-49, the Board of Regents (the “*Board*”) was created to, among other matters, control and have jurisdiction of six state-supported universities, including Black Hills State University (“*BHSU*”), Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University and the University of South Dakota (“*USD*”) (collectively, the “*Institutions*” and each, an “*Institution*”); and

WHEREAS, the Board on October 21, 2004, did duly adopt a resolution (herein called the “*System Resolution*”) amending and restating previous resolutions and establishing a combined system of housing and auxiliary facilities (the “*System*”) pursuant to which each Institution continues to operate its existing system (collectively, the “*Institutional Systems*” and each, an “*Institutional System*”) but the revenues of which are subject to being used by the Board to avoid a potential default on revenue bonds issued by the Board on behalf of any Institution in the System pursuant to the System Resolution; and

WHEREAS, pursuant to Section 14(B) of the System Resolution, the Board is authorized to remove facilities from the System upon a determination that such facilities no longer generate net revenues of the System because they are obsolete; and

WHEREAS, on June 10-11, 2015, the Board had reviewed evidence that Humbert Hall, a residence hall on the campus of BHSU, no longer generated net revenues of the System because it was obsolete when compared to newer residence halls that offer more amenities, and therefore had determined that Humbert Hall should be removed from the list of facilities of the BHSU Institutional System; and

WHEREAS, because the resolution of June 10-11, 2015 did not accurately reflect this determination with respect to Humbert Hall, the Board now desires to make such clarification;

NOW, THEREFORE, Be It and It Is Hereby Resolved by the South Dakota Board of Regents, as follows:

Section 1.1. Clarification for Determination to Remove Humbert Hall from the System. Pursuant to Section 14(B) of the System Resolution, the Board hereby clarifies that it had previously determined that Humbert Hall was to be removed from the BHSU Institutional System because it no longer generated net revenues of the System, since it was obsolete when compared to newer residence halls that offer more amenities. The determination for the removal of Humbert Hall that was provided in the resolution of June 10-11, 2015 was meant to apply only to Pangburn

Hall. A copy of this Resolution shall be filed with the Executive Director and each Bond Registrar under the System Resolution, as a clarification of the resolution of June 10-11, 2015.

Section 1.2. Severability Provisions. If any one or more sections, clauses, sentences and parts of this Resolution shall for any reason be questioned in any court of competent jurisdiction, and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions hereof, but shall be confined to the specific section, clause, sentence and part so determined, and that all resolutions or parts thereof in conflict herewith are hereby repealed.

THIS RESOLUTION shall take effect upon its adoption.

Adopted this ___ day of _____, 2017.

President

ATTEST:

Executive Director

(Seal)