

Syracuse Arts Academy

Electronic Board Meeting Minutes

Tuesday, November 17, 2009



Location: Electronic Meeting Board Meeting will be conducted via phone and votes will be ratified at December Board Meeting. Please contact Dawn Kawaguchi at (801) 444-9378 or dawn@academicawest.com if you would like to be included in meeting

In Attendance: Andrea Larkin, Tonney Kaw-uh, Brittani Brown, Jan Whimpey (Principal), Dawn Kawaguchi (Academica West), David Hall (SAA Financial Advisor), and Cameron Almond

The purpose of Syracuse Arts Academy is to develop respectful, confident citizens in a solid educational environment enriched by artistic expression.

Minutes

5:34 PM – Call into conference @ 1-888-742-8686 Bridge: 3027042

Call to order – Andrea Larkin

BUSINESS ITEMS – (To Be Voted Upon)

- Vote on the Utah Consolidated Application – Jan explained what the Utah consolidation application is. She reviewed all the areas and budget that has been allotted for each category. **Cameron Almond made a motion to approve the Utah Consolidation Application. Brittani Brown seconded the motion. Motion passed unanimously.**
- Vote to officially appoint David Hall to represent Syracuse Arts Academy in the purchasing of the school – develop a contract stating this as well – **Brittani Brown made a motion to officially appoint David Hall to represent Syracuse Arts Academy in the purchasing of the school. Tonney Kaw-uh seconded the motion. Motion passed unanimously.**
- Review the "lease vs. buy" analysis from Brent or Rick Van Alfen and vote on which option the Board would like to go with – David explained that a feasibility study will be done by Schmitt, Griffith, and Smith for \$15,000. David also informed the Board that they have hired Kirton and McConkie as our attorney for approximately \$50,000. David reviewed the “lease vs. buy” spreadsheet analysis. David explained that there will be Bank loan and USDA loan. The bank loan will be from Centennial Bank. He reported that they have already been approved for the loan. David reviewed the acceptance letter. He also reported that he was a little concerned on the CD rate. With his banking background, a high CD rate is a red flag for a bank in trouble. David has talked to the bank about his concerns. After their conversation, David feels that their explanation is inline. Since this isn’t his money, he has taken this offer to a colleague from his office to get another offer to look at from a more stable bank. David proposed that they should

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move forward with accepting this proposal and if something happens between now and February, they can still opt out and move to another bank without having to move any of the school's money.

- Review the appraisal, vote on the purchase offer, and authorize Chris Dallin to execute purchase agreement – David explained that they already have an appraisal on the Jr. High when it was built. They are willing to accept the offer. David explained that they will be purchasing the both the buildings as a school. Appraisal value for the Jr. High is \$8.9 million. The appraisal for the elementary is \$6.3 million. There would be a total offer of approximately \$14.5 million. The total of the loan will include the CD amount so it the total amount of the loan will be more. David asked Cameron to give his opinion on the market. There was discussion on the elementary leaking roof. There was discussion on doing a private inspection on the building especially the elementary. There was discussion on the actual boundaries of the school. David explained that part of the parking is shared with the city. David is meeting with the city to get a formal document on the shared parking lot. Jan is concerned if they lose that shared ground the school will not be able to operate. Cameron suggested getting a second usage easement so that it would be recorded with the county.

- **Cameron Almond made a motion to accept the engagement letters for both the feasibility study (*Schmitt, Griffiths, Smith & Co.*) and legal counsel (*Kirton and McConkie*). Tonney Kaw-uh seconded the motion. Motion passed unanimously.**

- **Tonney Kaw-uh made a motion to make an offer \$6 million for the elementary and \$8.9 million for the Jr. High contingent on the roof and any findings by the inspection. Cameron Almond seconded the motion. Motion passed unanimously.**

- **Cameron Almond made a motion to authorize David Hall to execute purchase agreement. Tonney Kaw-uh seconded the motion. Motion passed unanimously.**

- **Tonney Kaw-uh made a motion to accept the long term financing offer letter for Centennial Bank. Cameron Almond seconded the motion. Motion passed unanimously.**

Close Electronic Board Meeting – 6:39 p.m. Cameron Almond made a motion to adjourn the Electronic Board Meeting. Tonney Kaw-uh seconded the motion. Motion passed unanimously.