

Resolution of Executive Committee
Board of Trustees
University of the Virgin Islands

Whereas, in July 2011, the University of the Virgin Islands Research and Technology Park Corporation (“RTPark”) authorized AT Construction Solutions, LLCⁱ (“Aireko”) to begin construction, in September 2011, of an approximately 18,000 square feet, two-story “Leadership in Energy and Environmental Design” (LEED) certified buildingⁱⁱ (“the Project”) on a parcel of land on the St. Croix Campus of the University of the Virgin Islands (“the University”), leased by RTPark from the University; and

Whereas, the University will be the largest tenant in this building and as such will construct additional classrooms, teaching laboratories, and offices for faculty therein - in the case of the additional offices, this will enable the University to discontinue the use of several offices as dual occupancy offices, and

Whereas, the RTPark Board of Directors authorized commencement of the Project, at a fixed cost of approximately \$13 million, with the knowledge that RTPark does not have enough funds to cover the full cost of constructing the Project and therefore would have to identify a source of approximately \$2 million in funds to supplement the funds for the Project provided by the Virgin Islands Public Finance Authority, the U.S. Department of Commerce Economic Development Administration (“USDC EDA”), and the University; and

Whereas, since the start of construction, the total cost of constructing the Project has increased by approximately \$500,000 as a result of changes in the scope of the Project which were required for various reasons and were approved by the RTPark Board of Directors, thereby increasing the total amount of additional funds required for this project to approximately \$2.5 million; and

Whereas, an additional \$550,000 in cash flow to finance the construction of the Project is needed for a period of approximately one year during which the USDC EDA will retain ten percent (10%) of its grant of \$5.5 million until RTPark provides evidence that the Project is LEED-certifiedⁱⁱⁱ; and

Whereas, RTPark has identified a lender and accepted a Loan Commitment Letter from that lender to provide \$3 million needed to fully fund the construction of the Project; however, the loan proceeds may not be received in time for RTPark to make a payment to Aireko that is due on or about December 5, 2012, and

Whereas, if that payment is not made by the due date, Aireko would be entitled to give notice to RTPark that work on the Project will cease a few days later and, after that period of notice has passed without the payment having been made, Aireko could suspend construction, which action would result in a delay in the completion the Project; and

Whereas, it is in the interest of the University, its faculty and students, for the University to assist RTPark in making the payment due on or about December 5th in order to prevent a suspension of the construction of the Project, which would delay the completion and preparation for occupancy of additional classrooms, teaching laboratories, and offices for faculty in the Project which are needed for the 2013-2014 academic year;

Now therefore, be it hereby resolved by the Executive Committee of the Board of Trustees of the University, acting for the Board pursuant to Article VI, Section 1(a), of the Bylaws of the University:

1. If RTPark has applied for and is not able to receive the proceeds of a loan of \$3 million from a third party in time to make the payment to Aireko that is due on or about December 5, 2012, the President and Vice President for Administration and Finance, acting on behalf of the University, are hereby authorized to loan to RTPark, from unrestricted funds available in the University's Quasi-Endowment Fund, the total amount of the payment that is due to Aireko, of approximately \$789,000, at an interest rate of seven percent (7%) on condition that this loan be repaid to the University by RTPark promptly upon RTPark's receipt of the proceeds of the loan from the third party, or not later than three months from the date of the University loan to RTPark, whichever occurs first, subject to such other terms and conditions that the President of the University, in the exercise of his discretion, acting after the receipt of legal and financial advice, deems prudent.
2. The President and the Vice President for Administration and Finance of the University are authorized to take any and all such other actions as are necessary or appropriate to implement the intent of the foregoing.

CERTIFICATION

The undersigned hereby certifies that the foregoing is a true and exact copy of a resolution of the Executive Committee of the Board of Trustees of the University of the Virgin Islands adopted during its meeting on Tuesday, November 27, 2012, as recorded in the minutes of that meeting.

Secretary of the Board

Date

ⁱ Aireko Construction Corporation, a corporation organized under the laws of Puerto Rico, is licensed to do business in the U.S. Virgin Islands as AT Construction Solutions, LLC.

ⁱⁱ LEED certified buildings are intended to use resources more efficiently when compared to conventional buildings simply built to code. LEED certified buildings often provide healthier work and living environments, which contributes to higher productivity and improved employee health and comfort. The U.S. Green Building Council, a non-profit trade organization that promotes sustainability in how buildings are designed, built, and operated, has compiled a long list of benefits of implementing a LEED strategy, which ranges from improving air and water quality to reducing solid waste, benefiting owners, occupiers, and society as a whole.[Source: Wikipedia]

ⁱⁱⁱ One of the purposes of the grant provided by the USDC EDA is to underwrite LEED enhancements in the Project.