

David Pryor

March 28, 2016

Chancellor Joseph E. Steinmetz
Dr. Don Bobbitt
Athletic Director Jeff Long

Gentlemen:

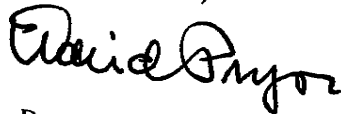
In our January Board of Trustees meeting, I indicated several concerns of mine with the proposed North end expansion for the Donald W. Reynolds Stadium in Fayetteville. I mentioned that I would be sending several questions I have about the project. Those questions are included herein.

I realize that this is a large number of questions and that many will require some time and research for a response. It is not expected for you to have to respond immediately, but hopefully, in a timely fashion.

It is very possible that this stadium project and related bond issue will become the largest commitment in our state's higher education history, and I urge caution before we embark. In a time when higher education across the nation is receiving extraordinary scrutiny and examination on issues like tuition, soaring student debt, and flat or declining state appropriations for higher education, we, as trustees, have a special duty to speak to these concerns.

I appreciate your attention to these concerns, and look forward to hearing from you.

Good wishes,



David Pryor
Trustee

1. What is the expected cost estimate for the stadium's North end extension?
2. Has there been a cost/benefit ratio study for the North-end stadium project?
3. How many additional seats will this dollar amount add to stadium capacity?
4. What is the estimated cost of each additional seat for the North-end project?
5. Will there be any additional seats added for student use?
6. Will there be any additional general admission seats?
7. Is there an estimated (or actual) cost for the requested new video board?
8. Is there a cost estimate yet on the cost of the additional elevators to be installed?
9. For what price to the general public will the new boxes or special seats be offered?
10. Will competitive bids be taken for various construction needs? In choosing construction contractors for the North-end project, what language in the contract addresses competitive bids, accountability and transparency?
11. Should the North-end stadium project be approved and completed, what other construction priorities do you foresee for the Athletic Department? Are there cost estimates for those future projects?
12. On a scale of 1-10, how would the "North end project" rate as a priority for the Fayetteville campus?
13. To the best of your knowledge, is the North end stadium project the largest (in cost) construction project in history for the Fayetteville campus?
14. It was estimated in January of 2016 that the stadium project would require an expenditure of some \$160,000,000. A bond issue of some magnitude will be required. Would such a debt affect our bond rating? Would this debt preclude or adversely affect future bond issues needed for other campus needs?
15. In (or about) the year 2000, the UA Fayetteville campus issued bonds for approximately \$100,000,000, which resulted in 22,000 seats being added to our seating capacity. According to public record, there was competitive bidding at each stage of that project. The North end project could cost \$200,000,000 and result in increasing seating capacity by only 3,000 seats. Please explain.
16. In Athletic Director Jeff Long's January 2016 letter to the Board of Trustees, it was stated that the Broyles Center would be renovated and modernized. Do you have an estimated cost for this expansion?
17. Do these plans include any additional parking in, under or around the Broyles Complex?

18. How many present parking spaces (presently used by students and staff) just north of the Broyles Center will be utilized due to this expansion?
19. What dollar amount of bonds will be issued to combine with private and public funding? What year will these bonds mature? Will bond issues be required for additional projects in the future? In past 25 years, among the bond issues of the Fayetteville campus, what is the breakout of bond issue proceeds being used for athletic purposes vs. academic needs?
20. What is present indebtedness of the University of Arkansas-Fayetteville?
21. Is there a maximum indebtedness or a limit to debt we can safely incur?
22. What is present indebtedness presently owed as a result of new or upgraded athletic facilities?
23. What percent of revenues collected by the Athletic Department are allocated to academic needs for the Fayetteville campus?
24. Do we know what other SEC Member schools give to academic needs from athletic revenues? Please explain.
25. As of April 1, 2016, has the bond underwriting firm(s) been selected?
26. If not, what procedure will be used for choosing bond underwriting firms?
27. What procedure will be employed in choosing bond counsel?
28. Will the choosing of bond counsel and bond underwriters be a transparent process? Please explain.
29. How will firm(s) be chosen to participate in this process? Please explain.
30. Approximately \$32 million is awarded each year to each SEC institution as a result of the new SEC TV channel. How is our \$32 million being used?
31. To the best of your knowledge, how are other member SEC schools using this financial "windfall" for the institutions they represent? Is there a certain percentage of these SEC TV channel dollars being allocated for the "academic" needs of the SEC members?
32. Please explain terms and details of the SEC TV contract?
33. What future plans does the Athletic Department have for these funds? Has any consideration been given to allocating a certain percentage of the yearly SEC TV revenues for academic needs or to help absorb tuition needs? a scale of