



**WORCESTER
STATE
UNIVERSITY**

NOTICE

A MEETING OF THE WORCESTER STATE UNIVERSITY BOARD OF TRUSTEES WILL BE HELD ON MONDAY, JANUARY 9, 2017 IN THE FULLER CONFERENCE ROOM, MASSACHUSETTS COLLEGE OF PHARMACY & HEALTH SCIENCES LOCATED AT 25 FOSTER STREET, WORCESTER, MASSACHUSETTS. MEETING WILL BE HELD AT 4:30 P.M. IMMEDIATELY FOLLOWING THE BOT RETREAT.

- 1. CALL TO ORDER (Notice Attachment 1)**
- 2. VOTES (Attachment #2)**
- 3. APPROVAL OF MINUTES – November 15, 2016 (Attachment #3)**
- 4. CHAIR OF THE BOARD UPDATE**
- 5. PRESIDENT’S REPORT (Attachment #4)**
- 6. RESIDENCE HALL FY 2018 BUDGET (Attachment #5)**
- 7. AGREEMENT BETWEEN WSU AND WORCESTER SPORTS CENTER LLC (Attachment #6)**
- 8. OTHER BUSINESS**
- 9. ADJOURNMENT**

**Judith A. St. Amand
December 30, 2017**

Upon a motion made and seconded, it was

VOTED: to approve the minutes of November 15, 2016 as submitted.

Upon a motion made and seconded, it was

VOTED: to approve the Residence Hall FY 2018 Budget as submitted.

Upon a motion made and seconded, it was

VOTED: to approve the Agreement between WSU and Worcester Sports Center LLC as presented.

Upon a motion made and seconded, it was

VOTED: to adjourn the meeting at

**WORCESTER STATE UNIVERSITY
BOARD OF TRUSTEES**

November 15, 2016

PRESENT: Trustee George Albro, Chair
Trustee Craig Blais, Vice Chair
Trustee Maryanne Hammond, Vice Chair
Trustee Aleta Fazzone
Trustee Corey Laite
Trustee Karen LaFond
Trustee Stephen Madaus
Trustee Dina Nichols
Trustee Shirley Steele
Trustee Marina Taylor
Trustee David Tuttle
President Barry Maloney, Secretary
Ms. Judith St. Amand, Assistant Secretary
Ms. Nikki Kapurch, Special Assistant to the President

The provision of General Laws, Chapter 30A having been complied with, and a quorum present, a meeting of the Board of Trustees was held on Tuesday, November 15, 2016, in the Multi-Purpose Room in Sheehan Hall. Chairman Albro called the meeting to order at 6:40 p.m.

Chairman Albro announced that WSU recently lost a very dear friend and supporter - Lt. Col. James F. Sheehan '55, USMC Retired. In honor of his memory, Chairman Albro called for a moment of silence.

APPROVAL OF MINUTES – October 18, 2016

Assistant Secretary St. Amand noted the following corrections to the the minutes of October 18, 2016:

Page 3 – *Clery* Report, not *Cleary*

Page 5 – Other Business – first bullet – *discussed* not *discuss*

Upon a motion by Trustee Hammond and seconded by Trustee Blais, it was unanimously

VOTED: to approve the minutes of October 18, 2016 as submitted with corrections noted above.

CHAIR OF THE BOARD UPDATE

- Special thanks to all who worked on the Distinguished Donor Reception at Mechanics Halls – always a great event
- Athletic Hall of Fame Banquet was superb and the naming of the Competition Court in honor of John Brissette was outstanding. Special thanks to Karen Sharpe and members of the alumni office for making this event such a success
- Upcoming show at Hanover Theatre – *Kinky Boots* – should be a very enjoyable evening for all
- Will be calling for an official vote later this evening to change the meeting date of the January Board meeting from the 24th to the 9th
- Plans for our trustee retreat are being finalized and the location will be the Fuller Conference Room of MCPHS located in downtown Worcester, to be followed by our January Board meeting at 4:30 p.m.
- Facilitator will be former President of Fitchburg University, Dr. Robert Antonucci
- A draft agenda was provided showing the retreat will commence with a luncheon for members of the Board, members of the Foundation Executive Committee, and invited guests for a legal presentation by Attorney James Cox from Rubin and Rudman LLP
- Other topics of interest on the agenda will include budget development, enrollment trends, a Sightlines presentation, a capital projects update and revenue generation ideas

CHANGE IN JANUARY MEETING DATE

Upon a motion by Trustee Blais and seconded by Trustee Hammond, it was unanimously

**VOTED: to approve the change in meeting date from January 24, 2017 to
January 9, 2017**

SABBATICAL PRESENTATION – Dr. Margaret Kerr

Professor & Chair, Chemistry Department

- Dr. Kerr's Fall 2015 Sabbatical Leave was titled: *Organometallic Research in Catalysis and Green Chemistry*
- She served as a visiting research scholar at WPI within the laboratory of Dr. Marion Emmert
- The lab had equipment that enhanced her research and focused on catalysis, an important component of green chemistry
- Dr. Emmert indicated a strong interest in collaborating with WSU and it is expected to continue after the sabbatical leave and will include undergraduate WSU students
- Work from research will produce joint professional publications and presentations

PRESIDENT'S REPORT

- This meeting's theme is based on Academic Excellence and Innovation – one of our strategic plan's goals
- T & G reported on a "traffic study" for the area surrounding the May Street property and Chandler Street

- City Council is looking at the issue and all suggestions and recommendations to WSU will be brought before the Finance & Facilities Committee
- President acknowledged former Chief Michael Nockunas of the WSU Police and thanked him for his service to the university. Mr. Nockunas has accepted a position with a major cruise line and will be leading up security in that position
- Newly appointed Chief of Police Jason Kapurch was introduced and congratulated on his appointment and a sincere thank you was extended to him for his many years of service to WSU

Presentation – Trip to Ireland

- President Maloney reported that In September, he travelled to Ireland with two students, Trustee Hammond, Dr. Linda Larrivee – Dean of the School of Health, Education and Natural Sciences, Dr. Steven Oliver, Chair of the Biology Department, and Carl Herrin, Asst. to the President for International, Community and Government Affairs
- Mr. Herrin and others provided a summary of their travel and interactions with various groups
- It was reported that the purpose of international travel is to build relations to engage WSU with the world – to expand options for students – promote WSU abroad and to connect with alumni
- Itinerary included visits and meetings with President and Students at the University College Cork, Letterkenny/LYIT, Derry, Coleraine, Jordanstown, Belfast/Ulster University, Dublin
- Noted MOUs already in place and possible additional exchange opportunities

APPOINTMENT – DEAN OF SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

- Provost Lois Wims introduced Dr. Russ Pottle, candidate being recommended for the position of Dean, School of Humanities and Social Sciences

Upon a motion by Trustee Blais and seconded by Trustee Nichols, it was unanimously

VOTED: to approve the appointment of Dr. Russ Pottle as Dean of the School of Humanities and Social Sciences based upon the terms described in his letter of appointment dated October 27, 2016.

ACADEMIC AFFAIRS/STUDENT DEVELOPMENT COMMITTEE REPORT

- Trustee Steele, Chair of the Academic Affairs/Student Development Committee, thanked Provost Wims for her very informative presentation on sabbatical leave requests for the AY 2017-2018
- Nine of eleven proposals were recommended; 2 for Fall Semester 2017 and 7 for Spring Semester 2018
- Two requests were not recommended by Provost Wims

- It was noted that the VOTE in the packet of materials incorrectly stated that sabbatical leaves were at ½ salary when it should read *Fall of 2017 at FULL salary* and *Spring of 2018 at FULL salary*
- Presentation included costs for coverage of courses by adjuncts

Upon a motion by Trustee Madaus and seconded by Trustee LaFond, it was unanimously

VOTED: **to approve the following sabbatical leaves for AY 2017 – 2018 as amended:**

Fall of 2017 at FULL salary, effective September 1, 2017

Dr. Samuel O’Connell	Visual & Performing Arts
Dr. Donald Vescio	English

Spring of 2018 at FULL salary, effective January 1, 2018

Dr. Christina Bebas	Education
Dr. Matthew Ortoleva	English
Dr. Elizabeth Siler	Business Administration/Economics
Dr. Robert Smith	History & Political Science
Dr. Emily Soltano	Psychology
Dr. Champika Soysa	Psychology
Dr. Heather Treseler	English

OTHER BUSINESS

Chairman Albro reminded the trustees that they would be receiving a letter seeking donations in the very near future and he would like to see 100% participation by the end of the year.

Upon a motion by Trustee Blais and seconded by Trustee Taylor, it was unanimously

VOTED: **to adjourn the meeting at 8:05 p.m.**

Respectfully submitted,

Judith A. St. Amand
Assistant Secretary

President's Update

January 2017

President's Message



In February of 2016, we laid out our **Five Points of Action Toward a More Inclusive Campus Climate**. This plan was put forward in the context of national student actions aimed at improving race relations on campuses and ensuring that universities are inclusive, which are goals that I embrace.

Implementing the Five Points of Action will help Worcester State meet our strategic plan's imperative that "all members of the WSU community will feel included and valued" and help us achieve two of the strategic plan's five overarching goals: cultivate a vibrant and collaborative campus; and enroll and retain diverse and motivated students.

The Five Points of Action are:

- Cultural Competency Training
- Diversity in Hiring Processes
- Student Engagement
- Contextualizing Classrooms
- Cross-Racial Interaction

We also called upon the New England Resource Center for Higher Education (NERCHE) to assess our campus climate on diversity and inclusion. An initial report was emailed to all employees in early September, and the organization is assisting with our efforts to engage students on these issues.

In this **Update**, we look at where we've made progress, with an eye toward identifying where more progress can be made. I appreciate the support of our campus community -- both inside the Tiffany Gates and beyond them -- as we engage in the sometimes difficult work of ensuring we are an open, welcoming, inclusive campus.

What follows is a compilation of steps that have been taken since February to move us forward.



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PRESIDENT'S OFFICE

Worcester State University
486 Chandler Street
Worcester, MA 01602
508-929-8000
www.worcester.edu

Action Step: Cultural Competency Training

Objective (Student Affairs)

Foster a workplace culture where diversity and inclusion are priorities for both divisional and individual professional development.

Measurements for Success

Division-wide trainings and individual attendance at workshops have provided staff with the knowledge of how to keep different perspectives in mind when interacting with, and developing programs for, students and fellow employees.

Objective (Student Affairs)

Continue to develop training on topics of diversity and inclusion as it relates to social justice, inclusive workplaces, and engagement of our students.

Measurements for Success

Targeting of key populations first, then moving to the greater student body so that students and staff can better articulate their perspectives on diversity and inclusion.

In Collaboration with Administration and Finance



Action Step: Diversity in Hiring

Objective (Administration and Finance)

Increased rates of job offers being made to and accepted by under-represented candidates.

Measurements for Success

Establish diverse stakeholders to serve on search committees; provide orientations to support guidelines for equal opportunity and affirmative action; recruit diverse candidates for vacancies; and promote an inclusive campus climate that results in increased rates of offers being made to and accepted by under-represented candidates.

Following the campus-based early retirement incentive program that we offered in 2015, our Human Resources department formed dozens of search committees to backfill many of those positions, primarily over the summer of 2016. Some 42 faculty and librarian positions were filled; 30 percent of those hires hailed from diverse backgrounds.

In Collaboration with all University divisions and offices



Action Step: Student Engagement

Objective (Enrollment Management)

Increase diversity of prospective teachers. As part of the November 2016 Admission Open House, Admissions partnered with the Education Department and Office of Multicultural Affairs to offer a **Call to Teaching** session, which is designed to encourage under-represented students to consider the profession of teaching; one of Admission's information sessions was offered entirely in Spanish.

Measurements for Success

Increasing the diversity of prospective teacher applicants and enrollees.

In Collaboration with Academic Affairs, Enrollment Management, Student Affairs

Objective (Enrollment Management)

Increase outreach to under-represented students. In collaboration with the English Department, Office of Multicultural Affairs, Admissions, Mass EdCO, and Worcester Public Schools, Worcester State will participate in **Preview Day**, a program in recognition of **National African American Read-In Day**, in February 2017. This event provides high school juniors from Worcester and Southbridge an opportunity to explore Worcester State through campus tours, attending lectures, and participating in interactive workshops with professors and college students.

Measurements for Success

Increased student and administrative participation in the event.

In Collaboration with Academic Affairs, Enrollment Management, Student Affairs

Objective (Enrollment Management)

Develop financial aid-related activities for under-represented students. Financial Aid has conducted a presentation for the Collegiate Success Institute (CSI) group, in coordination with University Advancement and the state GEAR UP organization. Both events relayed important information to at-risk youth regarding financial stability in college and financing options.

Measurements for Success

Increase financial awareness among current and prospective students.

In Collaboration with Enrollment Management, Student Affairs, University Advancement

Objective (Student Affairs)

Engage in programmatic opportunities (Jumpstart, WSU Civic Corps, partnership with [The Hector Reyes House](#), etc.) that provide students with work and volunteer experiences in diverse learning environments.

Measurements for Success

Enrollment in and assessment of programs.

In Collaboration with Academic Affairs

Objective (Administration and Finance)

Assess University's efforts in engagement, inclusivity, and diversity. Students often lead the University's efforts towards diversity and inclusion through student government organizations. Additionally, the University assesses its progress through student focus groups, often contracting with third parties to assist in these efforts. In summer/fall of 2016, the New England Resource Center for Higher Education (NERCHE) undertook an assessment of the current campus climate along diversity and inclusion dimensions. One result is that the University has created a representative group of Worcester State University stakeholders, known as the NERCHE Rubric Steering Committee and Working Group, which focus on curriculum, student support, and administrative leadership. The University also will assess its efforts towards diversity and inclusivity through the Culturally Engaging Campus Environments (CECE) survey of all undergraduate students, beginning in February 2017.

Measurements for Success

The analysis of student focus group feedback and student survey results to shape existing and future initiatives.

In Collaboration with Academic Affairs, Administration and Finance, Enrollment Management, Student Affairs, University Advancement



Action Step: Contextualizing Classrooms

Objective (Academic Affairs):

Establish courses and programs of study that promote diversity and inclusion. The first section of **Introduction to Ethnic Studies** recently was offered. A total of 32 students were enrolled in this section and student interest in the Ethnic Studies program has increased.

Measurements for Success

Increased offerings that promote diversity and inclusivity; increased enrollment in such programming.

In Collaboration With: Student Affairs



Action Step: Cross-Racial Interaction

Describe Action Objective (Administration and Finance, Academic Affairs, Student Affairs)

Attract and retain a racially diverse student body and workforce. The University regularly offers a wide variety of lectures, workshops, and presentations relating to race, which encourages discussions between racially diverse participants.

For example, in A&F, the Office of Diversity, Inclusion, and Affirmative Action's diversity workshop series included one on transgender issues training led by UMass Amherst transgender expert Dr. Genny Beemyn.

Across the university, faculty, staff, and students responded to President Maloney's February 2016 call to increase opportunities for cross-racial interaction. Academic Affairs, via the Office of Multicultural Affairs (OMA) and departmental sponsorships, brought a number of speakers to campus as part of [Latin Heritage Month](#) in October 2016. The Provost's Office organized a talk by Georgetown faculty member [Dr. Marcia Chatelain](#), who is leading a nationwide effort to ensure that students learn about the controversial tragedy in Ferguson, Mo.

Student Affairs, via the Office of Student Involvement and Leadership Development's Diversity Lecture Series, sponsored speakers such as [Herman Boone](#) of "Remember the Titans" fame, who drew media attention, as well as local high school and WSU student attendance.

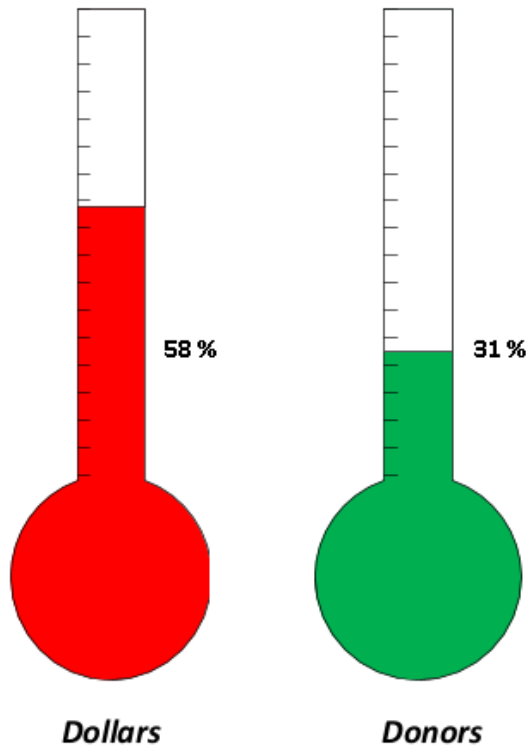
Student organizations, such as the Third World Alliance, sponsored speakers and activities, including a trip to the grand opening of the National Museum for African-American History and Culture in late September.

Measurements for Success

Increased participation in such events; IPEDS surveys; sign-in sheets; and session evaluations.
Number of such speakers and trainings offered.

Collaborations among all divisions and with student organizations: Academic Affairs, Administration and Finance, Enrollment Management, Student Affairs, University Advancement

Dollars Raised - as of November 30, 2016



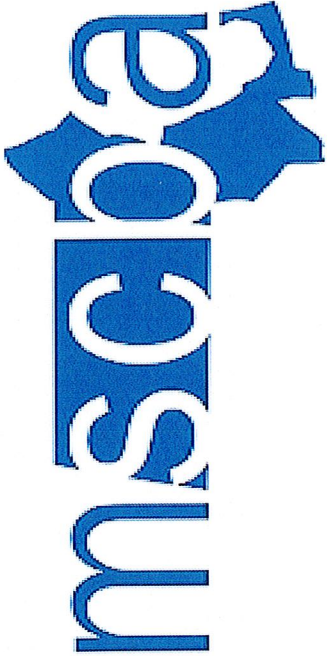
Annual Campaign Goal:
\$3,250,000
4,000 Donors

To Date:
\$1,892,163
1,245 Donors

Worcester State University

Residence Hall Trust Fund (RHTF) Budget

Worcester State University- FY18



Current Budget

Revenue	FY16		FY17		FY18	
					Variance	Growth
Campus Rent Revenue	6,683,762	6,961,598	7,307,913		277,836	4.2%
System Rent Revenue	4,622,145	4,754,438	5,061,537		132,293	2.9%
Summer Rent Revenue	199,646	153,250	153,250		(46,396)	-23.2%
Laundry/Vending Commissions	30,990	30,000	30,000		(990)	-3.2%
Interest	-	-	-		-	-
Room Damage Assessments	55,933	15,000	15,000		(40,933)	-73.2%
University Support to Operating Budget	-	-	-		-	-
All Other Income	105,844	90,000	90,000		(15,844)	-15.0%
Total Revenue	11,698,320	12,004,286	12,657,700		305,966	2.6%

Expenditure

AA Employee Compensation	1,116,442	1,276,363	1,318,200		159,921	14.3%
BB Employee Related Expenses	30,043	40,000	35,000		9,957	33.1%
CC Special Employees/Students	97,581	125,000	265,000		27,419	28.1%
DD Fringe Benefits, Insurance	343,792	466,240	482,558		122,448	35.6%
EE Administrative Expenses	107,922	120,000	123,000		12,078	11.2%
FF Facility Operational Exp.	237,892	227,500	262,500		(10,392)	-4.4%
GG Energy/Sewer & Water	813,959	667,008	705,171		(146,951)	-18.1%
HH Consultant Services	13,675	11,000	26,000		(2,675)	-19.6%
JJ Operational Services	140,879	170,000	15,000		29,121	20.7%
KK Equipment	7,912	50,000	30,000		42,088	532.0%
LL Maintenance, Repair	96,781	162,000	140,000		65,219	67.4%
MIM Room Damage Expenditures	-	-	-		-	-
NN Infrastructure C/M	714,120	780,000	733,742		65,880	9.2%
RR Benefit Program	367,390	391,020	400,430		23,630	6.4%
UU Technology Related Expenses	50,232	34,000	42,000		(16,232)	-32.3%
MSCBA Assessments	7,629,595	7,910,830	7,888,869		281,235	3.7%
Housing Grants and Other Disbursements	191,483	190,046	190,229		(1,437)	-0.8%
Total Expenditure	11,959,698	12,621,007	12,657,699		661,309	5.5%

Residence Hall Trust Fund

Beginning Balance (July 1st)	3,747,733	3,486,355	2,869,634
Operating Surplus/(Loss)	(261,378)	(616,721)	-
Ending Balance	3,486,355	2,869,634	2,869,634

Summer Revenue Detail

Summary	FY16		FY17		FY18		FY17		FY18	
							Variance	Growth	Variance	Growth
Number of Beds Used	1,317	1,190	1,190	1,190			(127)	-9.6%	-	0.0%
Number of Nights	272	147	147	147			(125)	-46.0%	-	0.0%
Number of Bed Nights	5,790	5,330	5,330	5,330			(460)	-7.9%	-	0.0%
Summer Rent Revenue	199,646	153,250	153,250	153,250			(46,396)	-23.2%	-	0.0%

FY17

Name of Group	Residence				Organization				Rent Revenue
	Hall(s) used	# Beds used	# Nights	Bed Nights	Type of Use	Type	Revenue		
Nike Field Hockey	Wasylean Hall	75	3	225	Sports Program	Private	\$6,750		
Singapore Math Program	Wasylean Hall	50	2	100	Educational	Private	\$3,000		
Singapore Math Program- Richie Bisk	Wasylean Hall	50	3	150	Educational	Public	\$4,500		
Nike Lacrosse	Wasylean Hall	75	3	225	Sports Program	Private	\$6,750		
Nike Field Hockey 2	Wasylean Hall	100	3	300	Sports Program	Private	\$9,000		
Barbershop - HXNE	Sheehan Hall	200	3	600	Youth Program	Private	\$18,000		
Barbershop- HCNE	Wasylean Hall	150	3	450	Educational	Private	\$13,500		
MASC	Sheehan Hall	150	6	900	Youth Program	Public	\$27,000		
Family Lives	Wasylean Hall	20	6	120	Private	Private	\$3,600		
Teachers 21	Wasylean Hall	10	28	280	Educational	Public	\$8,400		
UMASS - SEP	Wasylean Hall	10	25	250	Educational	Public	\$7,500		
UMASS - SRFP	Wasylean Hall	20	30	600	Educational	Public	\$15,000		
WSU Alumni Weekend	Chandler Village	40	1	40	College Program	Public	\$1,000		
Rising Stars	Wasylean Hall	50	4	200	Sports Program	Private	\$6,000		
Cape Ann Field Hockey	Wasylean Hall	30	3	90	Sports Program	Private	\$2,250		
Country Garden School	Chandler Village	10	20	200	Educational	Public	\$6,000		
NEAIS	Dowden Hall	150	4	600	Private	Private	\$15,000		

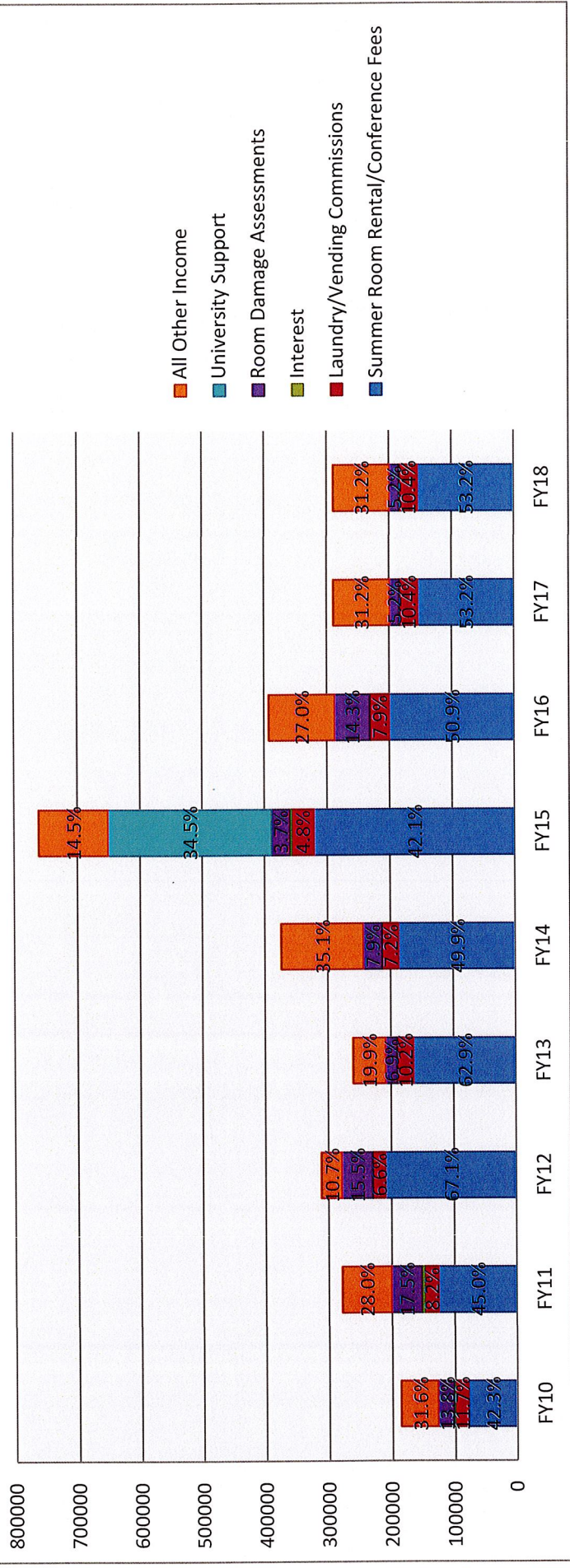
Non-Rent Revenue

Revenue Type	FY16		FY17		FY18	
	Variance	Growth	Variance	Growth	Variance	Growth
Summer Revenue	(46,396)	-23.2%	-	-	-	0.0%
Laundry/Vending Commissions	(990)	-3.2%	-	-	-	0.0%
Interest	-	-	-	-	-	-
Room Damage Assessments	(40,933)	-73.2%	-	-	-	0.0%
University Support	-	-	-	-	-	-
All Other Income	(15,844)	-15.0%	-	-	-	0.0%
Total	(104,163)	-26.5%	-	-	-	0.0%

	FY16	FY17	FY18
Summer Revenue	199,646	153,250	153,250
Laundry/Vending Commissions	30,990	30,000	30,000
Interest	-	-	-
Room Damage Assessments	55,933	15,000	15,000
University Support	-	-	-
All Other Income	105,844	90,000	90,000
Total	392,413	288,250	288,250

The chart below provides a historical summary of the Residence Hall Trust Fund's (RHTE) non-rent revenue and the percentage each category comprises of the fiscal year total. All revenue categories contributing less than 2% of the total distribution are not labeled in order to enhance the chart's visual display.

Non-Rent Revenue Distribution

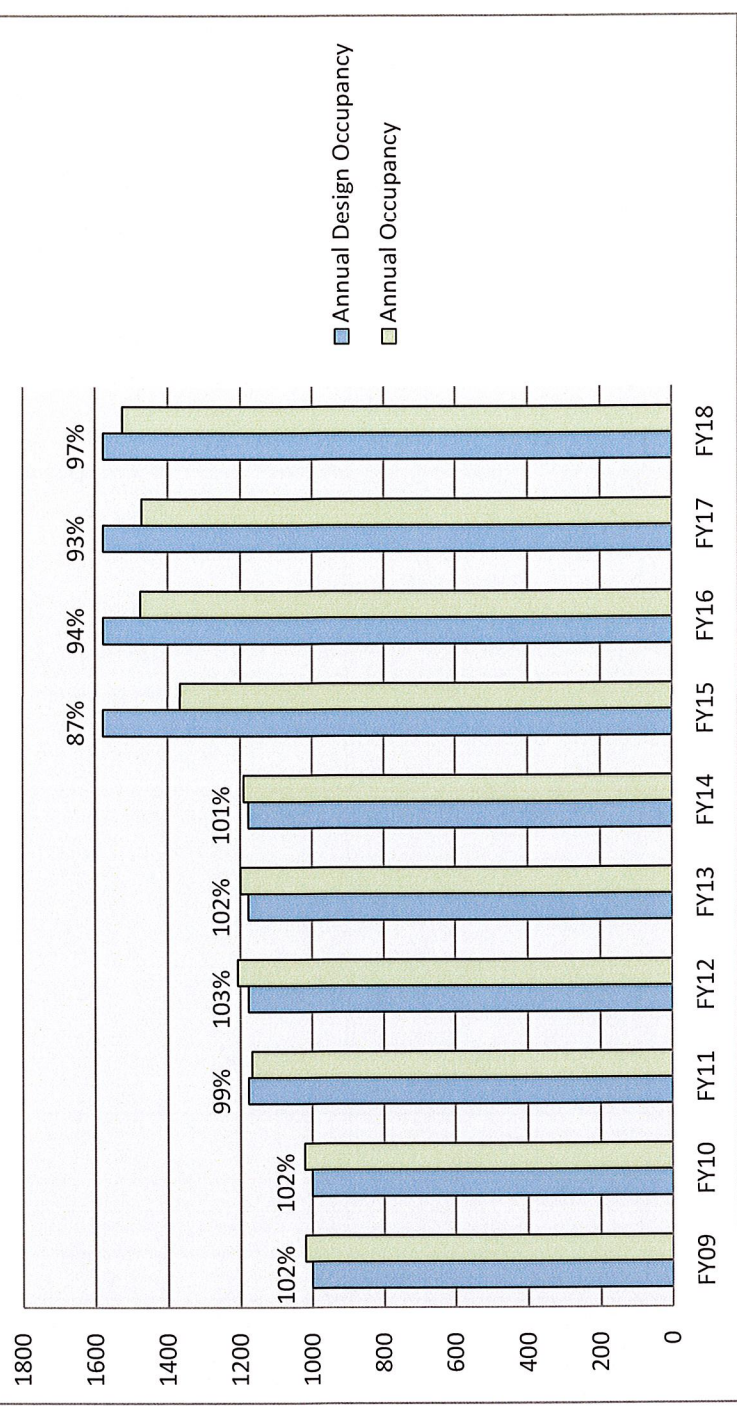


Annual Occupancy

Residence Hall	Annual Design Occupancy		Annual Occupancy (Fall & Spring)		Annual Occupancy Rate (Fall and Spring)	
	FY16	FY17	FY16	FY17	FY16	FY17
Chandler	420	420	383	397	91.2%	94.5%
Dowden	236	236	226	211	95.8%	89.4%
Dowden Expansion	173	173	172	142	99.4%	82.1%
Wasylean	348	348	322	335	92.5%	96.3%
Sheehan	400	400	373	387	93.3%	96.8%
Total	1,577	1,577	1,476	1,472	93.6%	93.3%
						96.8%

The chart to the right provides a historical summary of the residence halls' total design occupancy compared to the actual reported occupancy in the fall and spring. The actual occupancy shown is the average of the fall and spring. Additionally, the percentage figures above the bars display the occupancy rate.

Historical Occupancy



*Annual Occupancy equals the average between fall and spring occupancy.

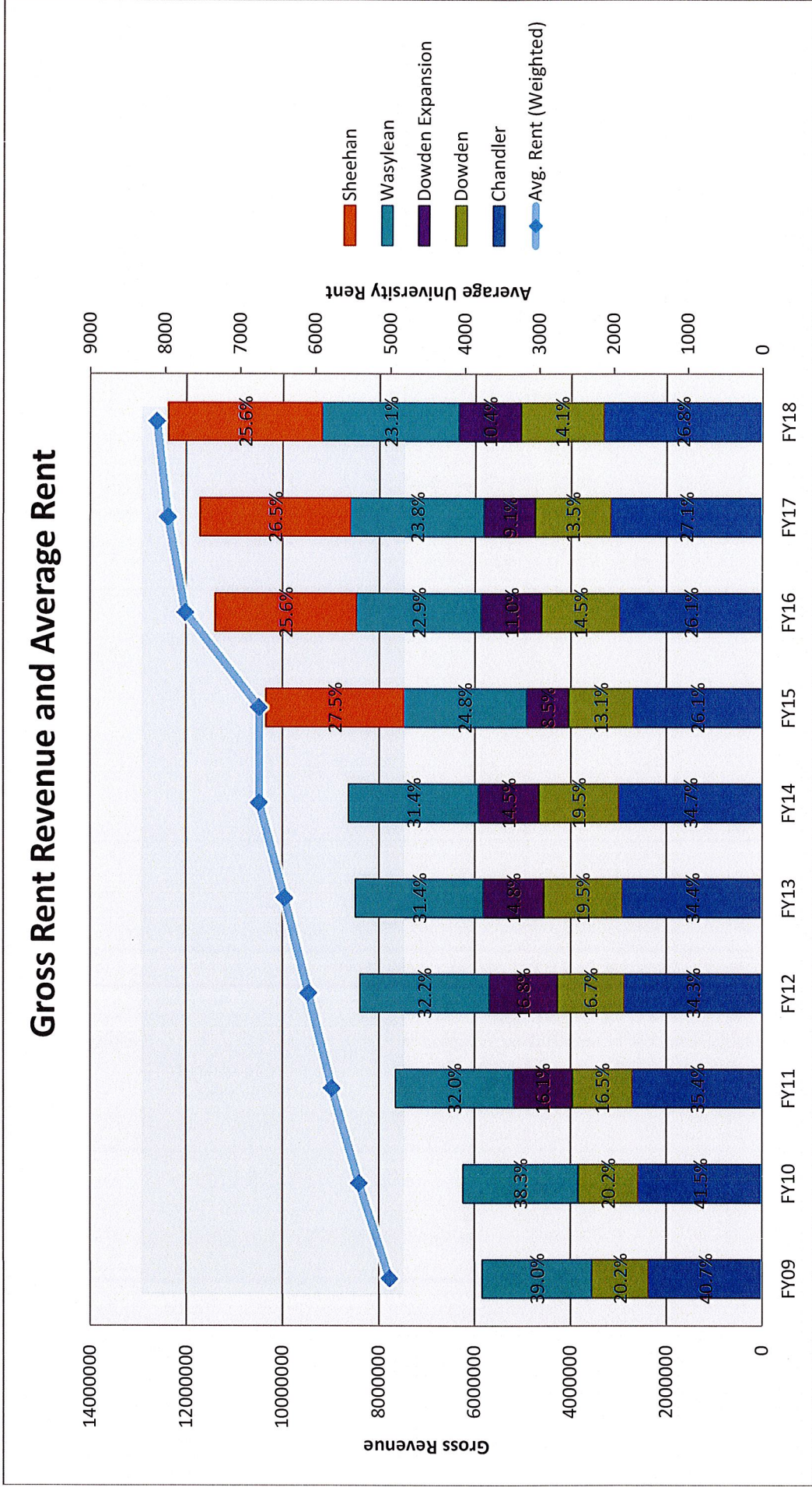
Rent and Revenue

Residence Hall	Double Room Rent (Single If No Double)		Increase/(Decrease)		% Increase/(Decrease)	
	FY16	FY17	FY17	FY18	FY17	FY18
Chandler	7,570	7,785	215	161	2.8%	2.1%
Dowden	7,270	7,485	215	161	3.0%	2.2%
Dowden Expansion	7,270	7,485	215	161	3.0%	2.2%
Wasylean	7,970	8,185	215	161	2.7%	2.0%
Sheehan	7,790	8,005	215	161	2.8%	2.0%
Weighted Avg. (All Room Types)	7,730	7,965	235	146	3.0%	1.8%

Residence Hall	Rent Revenue		Increase/(Decrease)		% Increase/(Decrease)	
	FY16	FY17	FY17	FY18	FY17	FY18
Chandler	2,974,125	3,174,045	199,920	139,204	6.7%	4.4%
Dowden	1,648,020	1,580,393	(67,627)	167,895	-4.1%	10.6%
Dowden Expansion	1,252,605	1,063,928	(188,677)	218,754	-15.1%	20.6%
Wasylean	2,605,155	2,787,375	182,220	65,254	7.0%	2.3%
Sheehan	2,917,430	3,110,295	192,865	62,307	6.6%	2.0%
Total	11,397,335	11,716,036	318,701	653,414	2.8%	5.6%

Rent and Revenue Summary

The chart below provides a historical summary of the revenue generated from rent and the percentage each residence hall comprises of the fiscal year total. The line graph depicts the weighted average rent for the university and should be compared to the rightward y-axis.





WORCESTER
S T A T E
UNIVERSITY

November 1, 2016

Brian DeVellis
ESG Associates, Inc.
41 North Road – Suite 203
Bedford, MA 01730

Re: Proposed Use of Worcester Sports Center LLC

Dear Mr. DeVellis:

The following is a Letter of Intent (“LOI”) precedent and subject to the negotiation of a definitive agreement (“Agreement”) by and between Worcester Sports Center LLC (“Licensor”) and Worcester State University (“Licensee” or “WSU”), pursuant to which the Licensor shall grant license to the Licensee for normal and customary ice-skating activities, including hockey games, figure skating, lessons and practice on the dates and times agreed upon in advance, locker rooms and other incidentals as are customary to the sport of ice hockey within the Worcester Sports Center (“Center”) currently contemplated for development at 104 Harding Street, Worcester, MA, 01604 pursuant to the Standard Terms and Conditions of the Commonwealth of Massachusetts and upon the following principal terms:

1. Length of Agreement/Term. The Parties understand that construction of the Center shall be completed on or before August 1, 2017. The Parties recognize that should the construction of the Center not be completed by August 1, 2017, this shall NOT be considered a breach of the Agreement and the Licensee will accept occupancy upon completion of construction providing WSU has not made a season-long commitment to another rink for its hockey team, in which case the Licensee will accept occupancy prior to the next hockey season or as the Parties may otherwise agree.

The Term of the Agreement shall be three (3) years, commencing - contingent on the Licensee’s ability to occupy the Center no later than September 15, 2017 - with the 2017-2018 WSU Hockey season, with two (2) three-year options for extensions, after which time the Parties are free to negotiate extensions at their choice.

2. Use. The Parties recognize that due to construction guidelines and schedules, the Licensee may not have access to the Center until after August 1, 2017. If occupancy is delayed past September 15, 2017, the Parties shall work together to reduce the ice use obligations and payment therefor of the Licensee for the Term based on the reduced availability of the ice.
 - a. Ice Time. The Licensee shall use the Center for normal and customary ice-skating activities, including hockey games and practice on the dates and times agreed

upon in advance, the exact dates, times and schedules of such use to be mutually agreed upon by the Parties each season.

- i. Licensor and Licensee will agree to a tentative schedule for use of the facility by June 30 of each year for the fall – spring season. An annual ice contract will be prepared to further define the use of the facility for the coming year.
 - ii. All efforts will be made to ensure games are to be played on the ice surface that contains seating for approximately 750 spectators. Practices and tryouts may be held on any ice surface, based on availability, with a preference for the surface that seats 750 spectators.
 - b. Locker Rooms. Licensor shall provide Licensee with exclusive use of one (1) year round Locker Room, for yearly License Fee of \$25,000.00 due October 1 of each year. In addition, Licensor agrees to provide branding and customization of the locker room for an upfront Build-out Fee of \$50,000.

 - i. Provision of the design plan and specifications shall include 30 stalls (Licensee shall confirm 26 player/4 goalie or 27 player/3 goalie configuration) and an in-game non-exclusive training room adjacent to the dedicated locker room consisting of roughly 80-100 square feet.
 - ii. Payment of the one-time Build-out Fee by the Licensee is dependent upon Licensee's approval of schematic design plans and reasonable progress of construction activities signified by erection of structural steel beams on site.
 - iii. Licensee shall be responsible for any articles, belongings, or valuables left unattended or unsecured in locker rooms.
 - c. Parking. Licensee shall be entitled to the nonexclusive use of parking spaces at the Center at no charge for game days, tryouts, practices and recreational offerings during ice times covered in this agreement and/or the annual ice contract.
3. Authorized Participants. Only Licensee's players, coaches, athletic trainers, staff, invitees and guests are authorized by to use the ice surface or locker rooms during the times covered by the Agreement. Use of the ice and/or locker rooms by anyone other than named Licensee's players, coaches, athletic trainers, staff, invitees and guests will be prohibited and will result in the forfeiture of Licensee's right granted herein to use the facility. Licensee shall be responsible payment for all contracted ice time that is forfeited as a result of such a breach of the Agreement.

4. Operations.

- a. Licensor will be responsible for taxes, utilities and general operating expenses with respect to the Center, except that the Parties agree that Licensee will be responsible for providing and paying for sufficient security staff, ticket sellers and ticket takers for WSU home games, unless otherwise provided for in the agreement.
- b. Licensor shall maintain the ice according to normal standards. Licensor shall resurface the ice surface prior to Licensee's use, one resurface per hour reserved (*i.e.*, for WSU Hockey games, additional resurfacing will be provided between periods if time allows) and supply two goal nets for hockey use, if required.
- c. The Licensee shall not use the ice until the Licensor's personnel have turned it over to them. Licensee must vacate the ice at the expiration of the scheduled ice time and/or game unless directed otherwise by the Licensor or its personnel. At the Licensor's direction, an extra fifteen (15) minutes of ice time may be made available for over-runs should schedule permit.
- d. Licensee's use of the Center for any event other than a scheduled hockey game at which a general or spectator admission fee is charged shall notify the Licensor at least 30 days prior to the event. The Licensor, in consultation with Licensee, shall determine the admission fees and Licensee shall assign a cashier to sell admission tickets and an admissions attendant to verify attendee's ticket upon entry into the facility. The Licensor shall retain 50% of all admission receipts collected to compensate for additional costs and granting of the right to raise funds through gate collection UNLESS Licensee staffs ticket sales, in which case Licensee shall retain all gate fees. The Licensee shall be required to pay for ice time used for the event.
- e. Licensor will retain all revenues generated by any food and beverage concessions and building charges (*i.e.*, dashboards, in-ice sponsorships) during Licensee's use of the Center.
- f. Licensee will be permitted to sell and retain all revenue from WSU-associated spirit wear, team products and related merchandise under a separate Merchandising Agreement with Licensor for the Merchandising store – see 7. Promotions/Advertising below.
- g. Licensee for itself and each of its members understands that the possession and/or consumption of alcoholic beverages on the grounds or inside the Center are prohibited.

5. Rental Fees/Rates. Licensee shall agree to pay a maximum annual fee of \$50,000 for ice time use allocated herein at the rate of \$275/hour for the first year of the Term, and then subject to escalation in accordance with the Consumer Price Index. The rate shall not fall below \$275.00/hour during term. The schedule and manner of payment shall be determined by the parties in the annual Ice Contract.
6. Cancellation/Failure to Use.
 - a. Licensee hereby acknowledges that the reserved ice time may be canceled by the Licensor due to mechanical or power failure, building or structural issues, or any other reason that in the sole judgment of the Licensor requires the cancellation of such time. Licensor will provide advance notice of cancellation to Licensee when possible. Licensee will be provided make-up hours of its choosing as available to replace the canceled hours. Licensee shall be responsible to pay for all ice costs as contracted with the make-up hours compensating for lost time.
 - b. In the event that Licensee seeks to cancel any of the scheduled ice time session(s), the Licensee shall provide the Licensor 7 days prior written notice of the intent to cancel the use of the scheduled session(s). In the event Licensor sells the cancelled ice time to another party, the Licensee shall not be responsible for the charge of the cancelled ice time. If the ice time cannot be sold, the Licensee shall pay for the cancelled ice time at the rate specified in the Agreement.
 - c. Failure of Licensee to use the facilities as agreed shall without prior notice to the Licensor shall not relieve Licensee of the payment obligation therefore, unless a mechanical failure or other occurrence beyond the control of the Licensee prevents the safe use of the facility for skating activities.
7. Promotions/Advertising.
 - a. Licensee agrees to pay an annual Advertisement Fee of \$15,000 due each October 1 of the Term whereby Licensor shall provide Licensee a Promotional Inventory list detailing various advertising and merchandising opportunities that the Licensee can choose from to spend the annual advertising allowance. Any additional advertising beyond this allotment shall result in a shared revenue opportunity whereby the Licensor shall share on a 50/50 basis the net revenues generated with Licensee produced by Licensee's efforts.
 - b. At no additional charge, Licensor shall provide Licensee:
 - i. Two (2) "Under Ice" logos – final size, design and location subject to Licensor approval; and

- ii. One (1) "Exterior Banner" along Winter Street – final size, design and location subject to Licensor approval.
 - c. Other than the sale of WSU-associated spirit wear, team products and related merchandise, Licensee shall not conduct any promotional activity or advertise any event at the facility without the prior written consent of Licensor. The Licensee shall not announce, advertise or in any manner promote a program or activity in connection with this ice reservation until the agreement is executed.
- 8. Condition of the Center. Subject to Licensee review of the Center design plans and specifications, Licensee shall accept the conditions of the Center as is.
- 9. Safety. Licensee shall be responsible for inspecting the ice surface and locker room(s) before each use and shall make Licensor aware of any potential hazards or defects prior to said use. Moreover, Licensee shall be responsible to provide and pay for all crowd control and/or security and emergency personnel required by ordinance or deemed reasonably necessary by Licensor during the time of use and extending to such time as all Licensee's members, guests, invitees and visitors have departed the property.
- 10. Assumption of Risk. Licensee, along with its members, invitees and guests using the ice surface, for any purpose, assumes all risk and danger incidental to skating and the game of hockey. These risks and dangers include, but are not limited to tripping, slips, falls, cuts by skate blades, injury from flying pucks in the ice area as well as the spectator areas, hockey sticks, and collisions with other participants.

Licensee for itself and for each of its members and other persons who will use the facilities under or through Licensee hereby accepts and assumes all risks of accident or damage or injury to Licensee or to persons using under it or through it. To the extent permitted by law, Licensee for itself and for all its members and persons under it, hereby releases and agrees to hold harmless, Worcester Sports Center, LLC, its officers, employees, and assignees from injury claim or damage sustained or alleged to have been sustained by any person by virtue of act or admissions of Licensee or persons using under or through it or its members. Licensee further agrees to provide adequate supervision of all persons using the facilities under and through Licensee.

- 11. Damages. Licensor may inspect the locker room facilities to be used by Licensee before and after use by Licensee or members of Licensee's organization. Any damage to the facility, other than normal wear and tear associated the sport of ice hockey or other ice skating events, will be noted and referred to the facility management for repair. Licensee agrees to pay the reasonable cost of labor and materials required to make repairs. In addition, other than normal wear and tear associated the sport of ice hockey or other ice skating events, Licensee agrees to pay for damage to any other area of the facility that is

caused by any group or individual member of Licensee's organization. These groups or individuals may be barred from entry to, or participation in, future activities. For any such damages, Licensor shall provide Licensee with an itemized listing of damages, including an estimate for replacements costs/repairs.

12. Insurance. Commonwealth of Massachusetts is self-insured.
13. Arbitration. To the extent permitted by law, the Parties shall agree to commit to settle any claims arising out of the Agreement through binding arbitration. Arbitration shall be commenced within one year from the date the claim arose for the claim to be arbitrable. Unless otherwise agreed, the arbitration shall be held in Worcester, Massachusetts. The submission to the American Arbitration Association shall be unlimited. The Federal Rules of Evidence shall govern the arbitration proceedings. Any court of competent jurisdiction may enforce the arbitration award.
14. Reservation of Rights. Licensor shall reserve all rights not expressly granted to Licensee in the Agreement, including, but not limited to the right to conduct commercial activities at the facility (such as selling or renting ice skates and accessories, selling of any apparel and services as well as all sales of food and drink). Licensor reserves the right to deny or rescind facility use or entry privileges to any person that fails to comply with the posted facility rules and code of conduct.
15. Other Terms of Agreement.
- a. Binding Effect. The Agreement shall be binding upon the Licensor and Licensee, together with their successors, heirs and assigns.
 - b. Entire Agreement. The Agreement along with the Commonwealth of Massachusetts Standard Terms and Conditions may only be modified or amended, if permitted, by a separate written addendum that is signed by both parties and attached to the agreement. The entire agreement will not become effective until and unless the agreement is fully signed and executed by a duly authorized agent of Licensee and Licensor and any and all deposit or payment requests are received.
 - c. Severability. If any portion of the Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court or arbitrator finds that any provision of the Agreement is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
 - d. Waiver. The failure of either party to enforce any provisions of the Agreement shall not be construed as a waiver or limitation of that Party's right to

subsequently enforce and compel strict compliance with every provision of the Agreement.

- e. Counterparts. The Agreement may be executed in two (2) or more counterparts, each of which shall be an original but such counterparts together shall constitute one and the same instrument notwithstanding that both Licensor and Licensee are not signatory to the same counterpart.
- 16. Confidentiality. Except as may be required by law, the Parties shall agree to treat all information received in connection with the consummation of the transactions contemplated herein in a confidential manner. The Parties acknowledge that the Licensee is a public entity administered by a Board of Trustees and that this LOI and/or Agreement may appear on a public agenda and/or be subject to a request for public records under Massachusetts law; accordingly.
- 17. Appropriations Contingency. The Parties acknowledge that the Agreement is subject to the Licensee's receipt of appropriations from the Commonwealth of Massachusetts, and, as such, is subject to cancellation for lack of funding by the Commonwealth.
- 18. Transactions Subject to Definite Agreement. The Parties' acceptance of the terms and conditions of this LOI shall not create any legal obligations between the Parties other than those set forth in Paragraphs 18 and 19 herein. The Parties understand and agree that the LOI will cease to have any effect unless the Agreement, containing terms, conditions and obligations satisfactory to both Parties, is executed on or before March 31, 2017.

If the Parties fail to execute this LOI within 14 days from date of letter, the proposals set forth herein shall be deemed to be withdrawn and this LOI shall cease to be of any further force and effect.

WORCESTER STATE UNIVERSITY

WORCESTER SPORTS CENTER, LLC

By: Kathleen Eichelroth
 Kathleen Eichelroth
 Vice President
 Administration and Finance/CFO

By: Cliff Rucker
 Cliff Rucker
 Managing Partner

Date: 11-1-2016

Date: 11/2/16



Worcester Sports Center Update

Infrastructure

- Assuming weather is not an issue, the building should be enclosed by January 15th so that the contractors can work inside the structure without any issues.
- If above timeline happens, building is expected to be completed by June 1, 2017 (the original timeline has August 1, 2017 as the completion date).
- There have been no unexpected issues with the current construction project.

Tenant Update

- Worcester State, Becker College, Worcester Academy, the Worcester Junior Sharks and the Crusaders have all committed to purchasing large blocks of ice-all prime time ice is booked.
- All permanent lockerooms are leased- WSU Hockey program has already raised \$35,000 of the \$50,000 needed to construct their lockerroom.
- Arena will include a large amount of retail space. These spaces include an Italian Restaurant and Cafe' (managed by Niche Hospitality), a Physical Therapy center (Reliant Medical), a Pro Shop (headquarters for ProSharp.....WSU head hockey coach Shayne Toporowski will manage), a Merchandise Shop (which will include WSU merchandise), and a Fitness Center. The Fitness Center is the only portion of the building that is still seeking a tenant, but they have a couple interested parties.

Miscellaneous

- Dates for the 2017-18 WSU hockey schedule have already been submitted to the arena.
- I have had initial discussions with Academic Affairs about offering activity courses for credit on weekday mornings and/or early afternoons when ice will be available. Classes such as Skating 101.
- Potential Intramural Opportunities, probably late at night, are also on the radar.