

AGENDA

III. PROPERTY AND FACILITIES COMMITTEE

October 28, 2005

Board Room

Mr. Marty J. Chabert, Chair
Mr. Charles V. Cusimano, Vice Chair
Dr. Jack A. Andonie
Mrs. Laura A. Leach
Mrs. Dorothy Reese
Mr. C. Stewart Slack
Ms. Lacey D. Spencer

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Property & Facilities Committee

Item 1: Recommendation to award an oil, gas and mineral lease on undivided interest in Louisiana State University property in Terrebonne Parish.

Executive Summary

Pride Oil & Gas Properties, Inc. submitted a mineral lease nomination for three tracts located in close proximity in Terrebonne Parish, Louisiana. LSU's undivided interest in the nominated tracts is as follows: tract one 11.1111%, tract two 33.3333%, and tract three 16.1616% for a total nomination of 313.28 gross/65.39 net mineral acres. Bids were received and opened on September 12, 2005. The sole bid was submitted by Pride Oil & Gas Properties, Inc. with a term of 3 years, cash payment of \$23,386.50, annual rental of \$350 per net mineral acre, totaling \$22,886.50, and royalties in the amount of 25%.

Recommendation

It is recommended that the LSU Board of Supervisors adopt the following resolution:

“NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that by virtue of and in conformity with the laws of the State of Louisiana, and particularly Louisiana Revised Statutes of 1950, Title 30, Section 151 to 158 inclusive, as amended, Board of Supervisors did invite by publication and did receive and open sealed bids for the oil and gas and mineral lease of Louisiana State University and Agricultural and Mechanical College's undivided interest in the following land located in Terrebonne Parish, Louisiana, to-wit:

ALL OF LESSOR'S UNDIVIDED RIGHT, TITLE AND INTEREST IN AND TO:

TOWNSHIP 16 SOUTH, RANGE 15 EAST

Tract 1: That certain tract or parcel of land, containing **163.70** gross acres and **18.19** net acres, more or less, and being described as all of Irregular Section 46, Township 16 South, Range 15 East, Terrebonne Parish, Louisiana.

The interest owned by Louisiana State University and Agricultural and Mechanical College in the above described tract 1 is an undivided 11 1/9 % interest

Tract 2: That certain tract or parcel of land, containing 158.00 acres, more or less, and being described as all of Irregular Section 45, Township 16 South, Range 15 East, Terrebonne Parish, Louisiana.

Less and Except: 24.42 acres, more or less, situated in the northern portion of said Section 45 and being further described as that certain tract or parcel of land situated on the left descending bank of Bayou Chacahoula, having a depth of 6 arpents from said Bayou Chacahoula, and being bounded as follows: North by Bayou Chacahoula; East by eastern line of said Section 45; West by west line of said Section 45; and South by lands of Lessor herein leased. Leaving a balance of **133.58** gross acres and **44.53** net acres, more or less, herein leased. Being the same tract acquired by Lessor and described as item (3) on Page 1 of Extract of Exhibit "A" attached to that certain Act Of Delivery Of Property Under Trust By Hibernia National Bank, dated September 6, 1989, but effective as of August 27, 1985, and recorded under Entry No. 852809 of the Conveyance Records of Terrebonne Parish, Louisiana. It being the intention of Lessor to lease all of its undivided interest situated in said Section 45.

The interest owned by Louisiana State University and Agricultural and Mechanical College in the above described tract 2 is an undivided 33 1/3 % interest.

Tract 3: That certain tract or parcel of land containing 20.00 acres, more or less, situated in Irregular Section 21, Township 16 South, Range 15 East, Terrebonne Parish, Louisiana, and being described as all of that portion of said Section 21 lying south of the Union Pacific Railroad. Said tract being further shown on that certain Plat of Survey for C.P. Gable and L.W. Gilbert, dated November 23, 1910 by G. E. Payne, Surveyor, and recorded at Conveyance Book 59, Page 583 of the official records of Terrebonne Parish, Louisiana. **Less and Except** : 4.00 acres, more or less, and being described as Lots 4, 5, 6, 7, 8, 19, 20, 21, 22, 23, 37, 40, 41, 42, 53, and 55 shown on said Plat of Survey. Leaving a balance of **16.00** gross acres and **2.67** net acres, more or less, herein leased.

The interest owned by Louisiana State University and Agricultural and Mechanical College in the above described tract 3 is an undivided 16 1/6 % interest.

BE IT FURTHER RESOLVED that said bids having been received by the Board of Supervisors at its office in the Louisiana State University System Building, Baton Rouge, Louisiana, on the 12th day of September, 2005, by 9:00 A.M., and having been publicly opened on the 12th day of September, 2005 at 10:00 A.M., and with said bids considered on the agenda at the meeting of the Board of Supervisors, Properties and Facilities Committee, on the 28th day of October, 2005, at the same address, said meeting having been duly and legally held, and the bid of Pride Oil & Gas Properties, Inc. being the most advantageous and to the best interest of the Board of Supervisors, the said bid, a copy of which is annexed hereto and made a part hereof, is hereby accepted by the Board of Supervisors at the Board of Supervisors meeting held on the 28th day of October, 2005.

BE IT FURTHER RESOLVED that William L. Jenkins, President, be and he is hereby authorized and empowered for and in the name of the Board of Supervisors, to execute a lease to said Pride Oil & Gas Properties, Inc. covering and affecting the above described land for the price and consideration and upon the terms and conditions set out in the above described accepted bid and in the advertisement.

BE IT FURTHER RESOLVED that said act of lease shall contain such additional provisions and stipulations as the said William L. Jenkins, President, may deem wise and in the best interest of the Board of Supervisors.”

Property and Facilities Committee

Item No. 2: Recommendation to consent to lease of Sigma Nu fraternity house to the Federal Bureau of Investigation ("FBI") for a term of one (1) year with four options to extend the term for a period of six (6) months each.

Executive Summary

As a result of Hurricane Katrina, many displaced persons from affected areas have relocated to the Baton Rouge area and many law enforcement, emergency and relief workers have been temporarily moved into the Baton Rouge area. There is not enough housing in the Baton Rouge area to accommodate necessary law enforcement personnel.

Sigma Nu Home Corporation ("Sigma Nu") owns a vacant fraternity house on the LSU campus pursuant to an Agreement and Act of Lease dated April 6, 1966. Said fraternity house is located on Lot Three F (3F) of the new Fraternity Sites, as shown on plat made by C. Carter Brown, C.E., on October 20, 1961 and revised March 15, 1963, entitled "Louisiana State University Layout of Religious and Fraternity lots, vicinity of Dalrymple Drive." Sigma Nu desires to lease its fraternity house to the FBI, for a term of one (1) year commencing September 13, 2005, subject to four (4) options to extend the term for a period of six (6) months each. The FBI will make necessary improvements to house its agents and/or support personnel. Sigma Nu is required to obtain the University's consent to lease its fraternity house and to use the house for this purpose. The University's consent to lease would allow the FBI to obtain needed housing and benefit LSU by having increased law enforcement presence on campus, and having a vacant building on LSU's campus occupied.

Sigma Nu requests that the Board of Supervisors consent to the lease to the FBI.

Recommendation

It is recommended that the LSU Board of Supervisors adopt the following resolution:

"NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize William L. Jenkins, President of the LSU System, or his designee, to consent to a lease of the fraternity house owned by Sigma Nu Home Corporation located on the campus of Louisiana State University to the Federal Bureau of Investigation for a term of one (1) year commencing September 13, 2005, subject to four (4) options to extend the term for a period of six (6) months each, said consent containing such other terms and conditions as he may deem appropriate and acceptable."

CONSENT TO LEASE

WHEREAS, as a result of Hurricane Katrina, many displaced persons from affected areas have relocated to the Baton Rouge area and many law enforcement, emergency and relief workers have been temporarily moved into the Baton Rouge area. There is not enough housing in the Baton Rouge area to accommodate necessary law enforcement personnel.

WHEREAS, Sigma Nu Home Corporation ("Sigma Nu") owns a vacant fraternity house on the LSU campus pursuant to Agreement And Act Of Lease dated April 6, 1966, said fraternity house being located on Lot Three F (3F) of the new Fraternity Sites, as shown on plat made by C. Carter Brown, C.E., on October 20, 1961 and revised March 15, 1963, entitled "Louisiana State University Layout of Religious and Fraternity lots, vicinity of Dalrymple Drive." Sigma Nu desires to lease its fraternity house to the Federal Bureau of Investigation ("FBI"), for a term of one (1) year subject to four (4) options to extend the term for a period of six (6) months each. The FBI will make necessary improvements to house its agents and/or support personnel. Sigma Nu is required to obtain the University's consent to lease its fraternity house and to use the house for this purpose. The University's consent to lease would allow the FBI to obtain needed housing and benefit LSU by having increased law enforcement presence on campus, and having a vacant building on LSU's campus occupied.

NOW, THEREFORE, the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("LSU") through William L. Jenkins, President of the LSU System, hereby consents to a lease of the fraternity house owned by Sigma Nu Home Corporation located on the campus of Louisiana State University to the Federal Bureau Investigation for a term of one (1) year commencing September 13, 2005, subject to four (4) options to extend the term for a period of six (6) months each, subject to the following additional terms and conditions:

1. FBI shall abide by and comply with all University rules and regulations in connection with its occupancy of the fraternity house.
2. The leased premises shall only be used to house FBI agents, administrators and other federal employees unless the prior written consent of LSU is obtained for another use.
3. FBI shall immediately upon written demand by LSU satisfy or cancel all liens or claims made against the property associated with any construction, improvements, acts or omissions by FBI or its agents, employees or contractors.
4. FBI agrees to indemnify, defend, and hold harmless LSU, its agents, employees, and board members to the same extent FBI has agreed to indemnify, defend, and hold harmless the Sigma Nu Home Corporation.

AND NOW COMES the Federal Bureau of Investigation, through its duly authorized agent, which agrees to the foregoing terms and conditions of this Consent to Lease by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College.

WITNESSES:

Print Name: _____

Print Name: _____

**BOARD OF SUPERVISORS OF LOUISIANA
STATE UNIVERSITY AND AGRICULTURAL AND
MECHANICAL COLLEGE**

By: _____
William L. Jenkins, President, LSU System

Date: _____

FEDERAL BUREAU OF INVESTIGATION

By: _____
Duly Authorized Representative

Name: _____

Title: _____

Date: _____

Property and Facilities Committee

Item 3: Recommendation to (1) acquire two tracts of land from the Tangipahoa Parish Council – President Government and (2) sell those tracts, reinvesting the sale proceeds in the LSU Agricultural Center's Hammond Research Station.

Executive Summary

On January 24, 1922, the Tangipahoa Parish Police Jury leased several parcels of land situated in Sections 23, 26 and 27, T6S, R8E, Tangipahoa Parish, to LSU for the Hammond Research Station. The lease will terminate at such time the Lessee ceases to use the lands for the operation of an experiment station. The LSU Agricultural Center has been operating the Research Station since that date on the leased premises.

In July 2005, the LSU Ag Center obtained a survey of the tracts under lease, and it became apparent that, of the five (5) tracts, only Tracts 1 and 2 as shown on said survey, a copy of which is attached hereto, actually serve the Hammond Research Station. Tract Nos. 3 and 5 are separated from the Station by adjoining property, and Tract 4 is a triangular portion on the North side of U.S. 190 which is no longer of use to the Station. Therefore, at present, the Ag Center wishes to continue the lease of Tract Nos. 1 and 2.

The Tangipahoa Parish Council – President Government (successor to the Tangipahoa Parish Police Jury) wishes to transfer Tract Nos. 3 and 5 to LSU, for the benefit of the LSU Ag Center, and it has passed an ordinance authorizing said transfer (Ordinance No. 40 of 2005). The transfer is conditioned upon the sales proceeds of any sale of Tracts 3 and 5 being reinvested in the Hammond Research Station.

The LSU Ag Center requests that the Board of Supervisors authorize the acquisition of Tract Nos. 3 and 5 which transfer is without any consideration paid by LSU and is therefore a donation from the Tangipahoa Parish Council – President Government. In light of Attorney General Opinion 03-0268 issued July 25, 2003 (opining that the procedure established in Act 262 (La. R.S. 41:151) by which the State of Louisiana may accept donations of immovable property is not applicable to post secondary system management boards such as the LSU Board of Supervisors), LSU Board of Supervisors may accept this property.

As these two tracts of land are not contiguous to the Station, they do not enhance the Station or the work performed there. Therefore, the LSU Ag Center requests that the Board of Supervisors authorize the sale by competitive bid of these tracts in accordance with R.S. 41:140D(1) and (2) whereby the AgCenter can engage the services of a licensed real estate broker to conduct the sale of the property and obtain the appraised value, or greater.

Recommendation

It is recommended that the LSU Board of Supervisors adopt the following motions:

“NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that William L. Jenkins, President of the LSU System, or his designee, be and he is hereby authorized to:

- (1) Enter into that "Act of Transfer by the Tangipahoa Parish Council-President Government as successor in interest to the Tangipahoa Parish Police Jury to the Board of Supervisors of

Louisiana State University and Agricultural and Mechanical College" and accept the transfer of Tract 3 located in Section 23, T6S, R8E, Tangipahoa Parish, Louisiana, and Tract 5 located in Section 27, T6S, R8E, Tangipahoa Parish, Louisiana, from the Tangipahoa Parish Council-President Government;

- (2) Authorize the sale, by competitive bid, in accordance with R.S. 41:140D(1) and (2) of Tracts 3 and 5 situated in Sections 23 and 27, T6S, R8E, GLD of Louisiana, Parish of Tangipahoa, as more fully described in that act of transfer from Tangipahoa Parish Council – President Government;
- (3) Negotiate and execute act(s) of sale transferring the title to Tracts 3 and 5 without warranty of title and with full reservation of all oil, gas and other minerals, but releasing the surface thereof, at appraised value or greater; and
- (4) Reinvest the net proceeds of the said sale in the Hammond Research Station.

BE IT FURTHER RESOLVED that said William L. Jenkins, President of the LSU System, or his designee be authorized to execute and approve such documents as are necessary to accomplish the transaction contemplated and to include in such documents any terms and conditions as he deems to be in the best interest of the Board of Supervisors.

BE IT FURTHER RESOLVED that any and all lawful acts done and performed by William L. Jenkins or his designee on behalf of the Board and in consideration of the authority hereby granted be and the same are hereby ratified and confirmed."