

MICHIGAN STATE
U N I V E R S I T Y

April 14, 2014

MEMORANDUM

To: Trustee Policy Committee

From: June Youatt, Acting Provost

Re: Approval of Contract Terms: *Suburban Ice, LLC*

Recommendation:

BE IT RESOLVED that the Trustee Policy Committee recommends to the Board of Trustees that it approve an agreement with *Suburban Ice, LLC*, consistent with earlier public notice given at a Board meeting and with the "Facility Rental Agreement Term Sheet" now presented to the Board for inclusion in its minutes.

Background:

In compliance with State law, public notice of the University's intent to negotiate contracts with *Suburban Ice, LLC*, a limited liability based in East Lansing, was given at the Board of Trustees' meeting on January 31, 2014. The terms of a facility rental agreement are now being presented for approval.

Mr. Tom Anastos, the head coach of the MSU men's ice hockey team, and his family own or have options to buy an ownership interest of more than 1% of the company.

The attached "Facility Rental Agreement Term Sheet" summarizes the agreement that MSU has negotiated with *Suburban Ice, LLC*.

Cc: Trustee Finance Committee
President Lou Anna K. Simon
Executive Vice President Satish Udpa
Vice President Mark Haas
Vice President Steve Hsu
Vice President Robert A. Noto
Vice President and Secretary Bill Beekman
Dr. Terry May
Deputy General Counsel Kristine Zayko
Assistant General Counsel Lee Bollinger



**OFFICE OF THE
PROVOST**

Michigan State University
430 Administration Building
East Lansing, MI 48824-1046

517-355-6550
Fax: 517-355-9601
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FACILITY RENTAL AGREEMENT TERM SHEET

Party: Suburban Ice, LLC

Contract: Rental of Suburban Ice, LLC's ice rink facility in connection with MSU's administration of its Youth Hockey School.

Payment Terms: \$125 per hour; various dates during summer, 2014.

The Munn Ice Arena, where MSU typically holds its Youth Hockey School, will be unavailable during the relevant time period due to repairs and improvements. The MSU Athletics Department evaluated the market and concluded that Suburban Ice, LLC's proposed rental rate is at or below the current market rates for such facility rentals and is the sole local source of a facility rental appropriate for the administration of the MSU Youth Hockey School in the summer of 2014.

Services Provided: By MSU to Suburban Ice, LLC: None under contemplated agreement.

By Suburban Ice, LLC to MSU: None under contemplated agreement.

Use of University Facilities/Personnel:

None

Organization Type: Limited liability company based in East Lansing.

Personnel Interest: Mr. Tom Anastos, the head coach of the MSU men's ice hockey team, and his family own or have options to buy an ownership interest of more than 1% of the company.

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U N I V E R S I T Y

April 14, 2014

MEMORANDUM

To: Trustee Policy Committee

From: June Youatt, Acting Provost

Re: Approval of Contract Terms: *Ingenex, LLC*

Recommendation:

BE IT RESOLVED that the Trustee Policy Committee recommends to the Board of Trustees that it approve an agreement with *Ingenex, LLC*, consistent with earlier public notice given at a Board meeting and with the "Agreement Term Sheet" now presented to the Board for inclusion in its minutes.

Background:

In compliance with State law, public notice of the University's intent to negotiate contracts with *Ingenex, LLC*, a limited liability based in Ann Arbor, was given at the Board of Trustees' meeting on January 31, 2014. The terms of a services agreement are now being presented for approval.

Dr. Derek Mehraban, an instructor in the Department of Advertising and Public Relations, and his family own or have options to buy an ownership interest of more than 1% of the company. Dr. Mehraban is also a member and CEO of *Ingenex, LLC*.

The attached "Agreement Term Sheet" summarizes the agreement that MSU has negotiated with *Ingenex, LLC*.

Cc: Trustee Finance Committee
President Lou Anna K. Simon
Executive Vice President Satish Udpa
Vice President Mark Haas
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Vice President Robert A. Noto
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AGREEMENT TERM SHEET

Party: Ingenex, LLC

Term: From the effective date of the agreement to the completion of the web design project.

Contract: Website design services agreement for a website of the MSU School of Packaging.

Payment Terms: \$14,000 to Ingenex, LLC; \$150 per hour for additional services requested by MSU that exceed the scope of the project.

MSU Purchasing evaluated the market for these services and concluded that Ingenex, LLC is the sole source of web design services capable of providing the services requested by MSU.

Services Provided: By MSU to Ingenex, LLC: none under contemplated agreement.

By Ingenex, LLC to MSU: website development and design.

Use of University Facilities/Personnel:
None

Organization Type: Limited liability company based in Ann Arbor

Personnel Interest: Dr. Derek Mehraban, an instructor in the Department of Advertising and Public Relations, and his family own or have options to buy an ownership interest of more than 1% of the company. Dr. Mehraban is also a member and CEO of Ingenex, LLC.