

Minutes of the Meeting
The Davidson Academy Governing Board
March 6, 2026

Call to Order

The regular meeting of the Governing Board of the Davidson Academy was called to order at 2:01 p.m. This public meeting was held by videoconference allowing members of the public to hear and observe the meeting. Members of the public were invited to provide comments by telephone, through videoconference, or by email.

A. Roll Call

Roll call was completed by Meeting Chair, Mark Herron. In attendance were Bob Davidson, Roger Davidson, Brian Krolicki, Lauralyn McCarthy-Sandoval, Rick Trachok, and Annette Whittemore. Brian Sandoval, Joe Ernst and Victor Wakefield were not present. Following completion of roll call, a quorum of voting members was confirmed.

B. Welcome and Introduction

Mark Herron welcomed Board Members and members of the public in attendance. Additionally, he welcomed guests Robert Kim and David Lahar. Present were Legal Counsel, Ann Alexander; Vice President of Finance and Administration, Karin Dixson; Director of Accounting, Kevin Connelly; Davidson Group General Counsel, Matthew Maccoby; Academy Director, Colleen Harsin; Governing Board Clerk, Aimee Fredericks; and IT Support, Ken Bouchard.

C. Public Comment

Mark Herron provided instructions concerning public comment as stated under item C. of the meeting agenda.

Mark Herron stated that this meeting would be held without a physical location, but in compliance with Nevada legislation, was available for visual participation, and audio call-in for public comments. He referenced the public comment details provided in the agenda and confirmed that public comments, if made, would be received by email or by telephone. No comments were received.

D. Approval of Agenda

Mark Herron requested a motion to approve the meeting agenda. Motion was made and seconded for approval of the meeting agenda as submitted. Motion carried unanimously.

E. Approval of Minutes

Mark Herron requested approval of the minutes for the meeting of November 14, 2025, included in the board book for this meeting. Motion was made and seconded for approval of the minutes as submitted. Motion carried unanimously.

F. Reports

1. Academy Director

a. General Program Update

Colleen Harsin began her report by referring Board Members to the current Profit and Loss Statement for the six months ending December 2025 for the Davidson Academy and asked if the Board had questions. Rick Trachok asked if this statement could reflect budget to actual numbers on a monthly basis. Brian Krolicki commented that there were significant numbers noted and asked if the budget was on track. Mark Herron and Karin Dixson confirmed for the Board that the budget was on track without any concerns. Per State of Nevada requirements the budget is prepared on an annual basis, not a monthly basis, but given that the material budget items are generally incurred pro-rata through the year (e.g. wages and benefits) comparing the actual percentages to the percentage of the year completed is a very good proxy for performance against budget..

Concerning admissions, Ms. Harsin reported that as of this meeting two remaining curriculum-based readiness assessments were pending with fewer than 30 applicants left to assess. Thirty-one new students were accepted for fall 2026, to date. Of those students, 16 are female, 15 are male, with an age range of 10-14 years old. She confirmed that the spring term was in progress with students participating in academic competitions and college decisions were being received. She advised that she would have more detailed information about college decisions at the May 2026 meeting of the Board.

b. College Planning Updates

Ms. Harsin referred Board Members to Tab 2 of their board materials for the 2026 list of candidates for the U.S. Presidential Scholars Program. Many of these Davidson Academy students are also National Merit Finalists.

The Davidson Academy 2026 graduating class includes 42 students who have submitted a total of 521 applications to varying colleges and universities. Ms. Harsin confirmed that at the upcoming board meeting in May, she would share a list of schools to which Davidson Academy students were accepted, as well as comparative data including deferrals and admissions denials.

2. Media and Outreach

Ms. Harsin referred Board Members to Tab 3 of their board materials for a summary of current media and outreach information including recent awards received by Davidson Academy students and website metrics. Key performance indicators were slightly down, which is consistent with this time of year when admissions are closed.

3. General Business

1. Review, discuss, and possibly approve three agreements related to the proposed development, financing, construction and leasing of a new facility for the Davidson Academy on the campus of the University of Nevada, Reno by the Davidson Academy's parent organization the Davidson Institute Talent Development and/or affiliated parties.

a. Ground Lease between the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Reno (the University) and CoreLink-DA Holdings, LLC

b. Fourth Amended Lease Agreement between the University and the Davidson Institute on behalf of the Academy

c. Amendment between the University and the Davidson Institute on behalf of the Academy

Mark Herron confirmed that during the September meeting he had noted, in connection with an amendment to the Jot Travis lease agenda item, that the Academy and its parent organization, the Davidson Institute, were in discussions with the University of Nevada, Reno (UNR) about the site for a new building for the Davidson Academy on the UNR campus. As meetings of this board are conducted in public and the confidential nature of discussions with the university, he was limited in what he could report at that time but confirmed that significant progress had been made and was pleased to be able to report framework for the developing, financing and constructing of a new, purpose-built home for the Davidson Academy on the UNR campus. He confirmed as action items, three specific agreements that would facilitate this project for the Board's consideration and approval.

Mr. Herron reminded the Board that the Academy is an unincorporated division of the Davidson Institute for Talent Development, a 501(c)3 public charity. The Davidson Academy has this Governing Board per Nevada statute, but it receives the majority of its funding from the Davidson Institute. In addition to approval from the Davidson Academy Board, the Board of Trustee of the Davidson Institute will also need to consider and approve these same agreements at a special meeting to be held the following week.

The Jot Travis Building has served its purpose historically for the Davidson Academy; however, the Academy is now one of the top-ranked high schools in the country. Students and their parents have higher expectations for the Academy's physical space, and the Jot Travis space no longer meets those expectations. Starting in mid-2024, along with the University, Academy staff and Board members studied replacing the Jot Travis building with a new structure that would accommodate the Academy's needs. Replacing the existing building proved to be too expensive and had the complication that the Academy would need temporary space on campus for up to three years. After further discussions, University of Nevada, Reno, President Sandoval, offered the Academy a site at the very southeast corner of the UNR campus, on Evans Avenue. This site is approximately 1.4 acres. Initial investigations indicate that the site is suitable for the needs of the Davidson Academy.

As a matter of policy, the Regents of the Nevada System of Higher Education (NSHE) do not sell core-campus

land and with the understanding there was no project to pursue unless we could structure a suitable ground lease with NSHE, late last year we entered into negotiation for a long-term lease of the site. In late January we reached agreement on a ground lease. The ground lease is for up to 70 years and for the first 60 years the ground lease payment is \$1 per year, although it is a true triple-net lease with the lease holder responsible for all costs such as maintenance, insurance and property taxes, if any. The lease was presented to the Regents Business, Finance and Facilities committee by President Sandoval on March 5, along with amendments to two related agreements, and all three were approved unanimously. As stated, these agreements are now coming to this Board today as action items.

Mr. Herron reported that as excited as the Board and Davidson Academy are about this project, it should be noted that the Academy and the Institute are not yet committed to moving forward with the project. Under the ground lease there is an extensive due diligence period to further investigate the site and undertake initial design studies. A team has been assembled for this task that includes Van Woert Bigotti Architects (VWB). They have extensive experience in school design and have done several major projects on the UNR campus as well as design of the original temporary space for the Davidson Academy in the PBS Building on the UNR Campus and the current space occupied by the Academy in the Jot Travis building. Parameters of the new building are still under discussion, but currently it is anticipated the building would have three to four floors with underground parking for staff, approximately 70,000 square feet, and would be large enough for enrollment of 300- 400 students.

Mr. Herron further confirmed that also assembled is a financing and legal team that includes David Lahar, and CoreLink Facilities Foundation (CFF), a 501(c)(3) that helps schools raise tax-exempt financing for their development projects. CoreLink's President Robert Kim is also present at this meeting. By using tax-exempt financing, the Academy can significantly reduce the effective cost of developing the new building. (CoreLink is not related to or affiliated with Core Construction, a contractor in the Reno market who is doing other work on the UNR campus and may be considered for this project.)

Mr. Herron referred Board Members to Tab 4 of their board materials for a full description of the proposed structure and development of the project. This structure is often referred to as a "public-private partnership" or P3. CFF will create a wholly owned subsidiary, called CoreLink-DA Holdings LLC (which Mr. Herron referred to as "Holdings"). Because Holdings sole member is a 501(c)(3), Holdings would also be treated as a non-profit, Holdings will be the party to the ground lease with NSHE. Holdings will raise tax-exempt financing to develop the project. The term of the financing is expected to be 30 to 35 years. Holdings will enter into agreements with VWB; a general contractor under what we anticipate to be a "construction manager at risk" (CMaR) arrangement; and any other parties required to design, develop and build the new building.

Holdings will also enter into a facility lease to lease the building to the Academy for the term of the ground lease. That would effectively give the Academy the right to use the building for up to 70 years. The rent under the facility lease would be an amount sufficient to pay the debt service on the tax-exempt financing, the rent under the ground lease (for the first 60 years, \$1 per year), and Holdings' administrative costs. If this progresses, it is expected the development process (entitlement, permitting, financing, construction and furnishing) to take about three years. The ground lease includes additional time in case the process takes longer than anticipated.

Mr. Herron noted that the Davidson Institute is currently advancing all of the funding for the work on this project and that none of it is coming out of Davidson Academy's budget. If and when the financing is obtained by Holdings, it is anticipated that the financing will include sufficient amounts to reimburse the Institute. The ground lease includes a provision stating that it is not effective unless it has been approved by the NSHE Board of Regents, this Board, and the Board of Trustees of the Institute. With the NSHE Board of Regents approval of the ground lease yesterday, it is anticipated that UNR will want Holdings to execute the ground lease quickly.

Mr. Herron requested that this Board approve the ground lease and the two related documents. The ground lease includes a lengthy due diligence period, during which Holdings can terminate the ground lease in its sole discretion. Holdings will terminate the ground lease if it is determined for any reason that the project can't be built or financed as currently anticipated. In addition, the Academy isn't a party to the ground lease. As a result, the approval of the ground lease by this Board doesn't actually commit the Academy to anything, but it does signal support for the project. Mr. Herron confirmed that he expects to come back to the Board for its approval before the closing of the financing and the execution of the facility lease, which is when the Academy will actually be committing to the project. The Davidson Institute will be holding a meeting of its Board of Trustees to discuss

the ground lease and related agreements on March 10. Based on Mr. Herron's discussions with members of that board, he anticipated approval of the ground lease at that time. Mr. Herron confirmed that this project is something that has been worked on with great focus for the last three or four months. He thanked General Counsel Matt Maccoby for all his work for also being a key advisor on business matters.

Mr. Herron invited questions from the Board with consideration of the ground lease, the Jot Travis Lease Amendment, and the 2005 Agreement Amendment. Included under Tab 5 was a memo from Matt Maccoby summarizing each of the three agreements. Tab 6 included in the board materials was a proposed resolution to approve the lease, followed by the full text of the agreement. Concerning the Jot Travis Lease Amendment, a proposed resolution and document was included under Tab 7. Included under Tab 8 was a proposed resolution and amendment to the 2005 agreement. Mr. Herron opened the General Business item to questions and discussion by the Board.

Brian Krolicki commented that this project included many moving parts and that he had walked the proposed site with Mr. Herron. He agreed this appeared to be a good spot for the proposed new building project. He requested further comments on the P3 (public-private partnership) financing structure and asked if, in any way, the financing would be relying on State of Nevada credit. David Lahar confirmed that the financing would not in any way rely on State of Nevada credit, and that the tax-exempt bond market – which will be the source of funds for project construction – will be looking to the Institute's balance sheet and endowment, as well as its historical revenue streams for debt service support. Furthermore, any excess funds that the Institute provides through the facility lease in order to meet the required 1.2x debt service coverage ratio would be returned to the Institute in the form of ground sublease income, partially offsetting the required payments by the Institute under the facility lease. It was also noted that CoreLink Facilities Foundation, the P3 partner, has proposed a shared governance approach that allows the Institute to name 3 of the 5 Board members in the project LLC., thereby having a very meaningful governance role in the project. Mark Herron commented that the total cost is unknown at this time but estimated at \$70-80 million dollars for the 68-70,000 square foot space including underground parking for 50-60 vehicles.

Mr. Herron requested motion to approve the Ground Lease agreement under General Business item 3.1.a. Motion was made and seconded. There was no further discussion and the motion passed unanimously, with Lauralyn McCarthy Sandoval abstaining.

Mr. Herron requested motion to approve the amended lease agreement under General Business item 3.1.b. Motion was made and seconded. There was no further discussion and the motion passed unanimously, with Lauralyn McCarthy Sandoval abstaining from the vote. Motion passed.

Mr. Herron requested motion to approve the amendment under General Business item 3.1.c. Motion was made and seconded. There was no further discussion and the motion passed unanimously, with Lauralyn McCarthy Sandoval abstaining.

3. Review, discuss, and possibly approve engagement of auditors Baker Tilly to conduct required annual audit of financials by independent third party.

Mr. Herron referred Board Members to the Audit Proposal under Tab 9 of the board materials including a proposal from the accounting firm Baker Tilly to undertake the annual audit of the Academy's financial statements. The firm of Holthouse Carlin Van Trigt, or HCVT, has been conducting the audit for many years and the Academy has been very pleased with their work. In anticipation of public financing of the new Davidson Academy building, it is expected that an audit of the Academy's books and also the books of the parent organization, the Davidson Institute, will be needed. For several reasons, including changing auditors after so many years with HCVT, the Academy asked for a proposal from Baker Tilly. As some of you know, the accounting firms Moss Adams and Baker Tilly recently merged and took the Baker Tilly name. The group that will work on the Academy and Institute audits is a "legacy" Moss Adams team. The Baker Tilly proposal is through, and they can meet the Academy's timing requirements. The proposed fee of \$31,000 is comparable with HCVT's fee. Baker Tilly is also preparing the IRS form 990 for the Davidson Institute and providing some related services. For the record Mr. Herron noted that he is a member of the Board of Trustees of Scripps College, and a board member and member of the Finance and Audit Committee of PBS Reno. Baker Tilly provides audit and related services for both entities although through a different office and audit team as proposed for the Davidson Academy audit.

Mr. Herron requested a motion to approve the engagement of Baker Tilly as the Academy's auditors, but with the understanding that given that the Academy just received this proposal, management would also like the Board's approval to possibly negotiate some of the terms of the professional services agreement attached to the proposal and included in the board materials. Such motion was made and seconded. With no further discussion the motion carried unanimously.

3. Review, discuss, and possibly approve a list of additional candidates for graduation in May 2026, subject to each candidate's completion of requirements for graduation.

Colleen Harsin referred Board Members to Tab 10 of their board materials with request for board approval of two additional Davidson Academy students for graduation in May 2026. Mark Herron requested a motion to approve these students for graduation graduates pending completion of requirements. Motion was made and seconded. Motion carried unanimously.

G. Public Comment

There were no comments from the public at this time.

H. Adjournment

There being no further business coming before the Board in a public meeting, Mr. Herron asked for a motion to adjourn. Motion was made, seconded, and carried unanimously. The meeting adjourned at 3:21 p.m.

Aimee Fredericks

Respectfully submitted by Aimee Fredericks, Governing Board Clerk