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Suit claims UNC caused bankruptcy

BY BRIAN HUDSON
MANAGING EDITOR

A former construction subcontractor has filed a lawsuit against the University, alleging that UNC forced the company to declare bankruptcy last summer.

Southern Site & Environmental officials claim that the University and T.A. Loving, UNC's general contractor, exhibited deceptive trade practices, fraud and breach of contract, according to a lawsuit filed earlier this month.

The company hopes to acquire between \$2 million and \$3 million in the suit, said Mike Unti, the lawyer representing Southern Site.

University officials declined to comment on specific allegations in the lawsuit.

Bruce Runberg, associate vice chancellor for con-

struction and planning, said officials still are gathering all information to assess the situation.

"We're working through legal counsel here to look at the claim and then try to resolve it appropriately," he said.

"And at this point we don't have all

the information from the contractor. We're in an evaluation phase."

When the University began renovating the Medical Sciences Research Building in August 2003, Southern Site was hired to demolish the interior of the building.

But according to the lawsuit, the

University and T.A. Loving have refused to pay the company in full, forcing Southern Site to file for bankruptcy in June.

The lawsuit claims that the \$369,000 Southern Site received for the demolition is actually \$160,000 less than the value of its work — an alleged discre-

pancy that forced the company into the financial red.

"They couldn't pay their own subcontractor and material men because they had, in turn, not been paid by the University," Unti said. "Bottom line,"

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THE HISTORY OF
SOUTHERN SITE &
ENVIRONMENTAL AT
THE UNIVERSITY

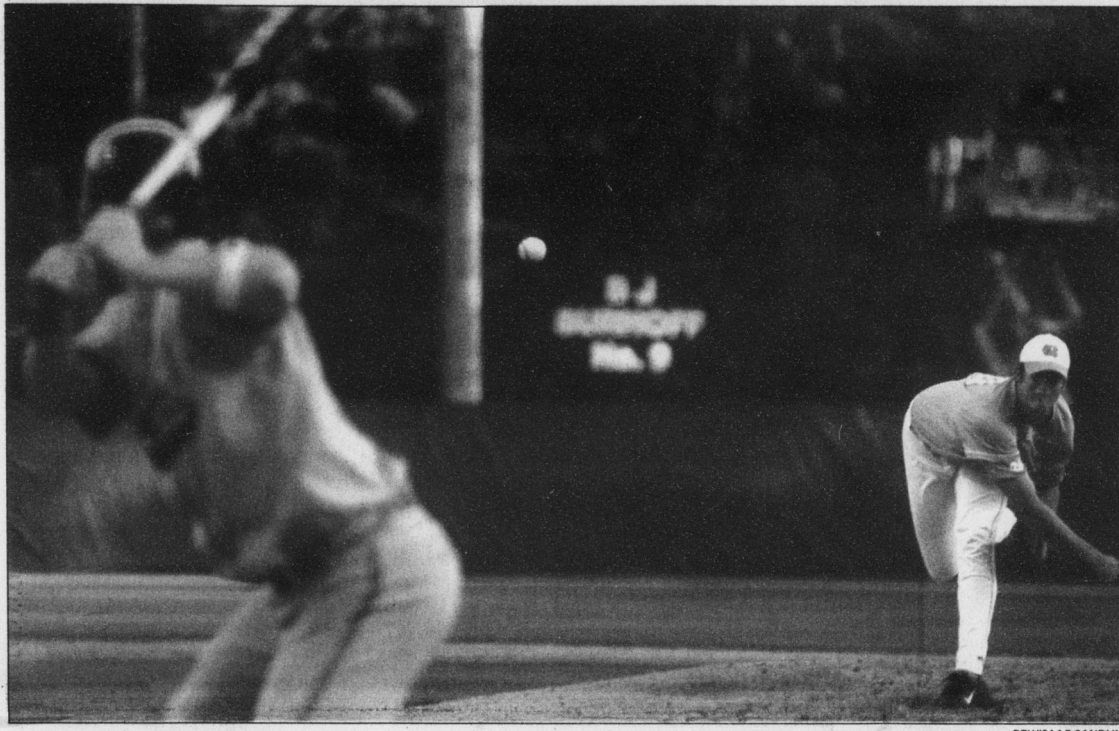
AUGUST 2003
Southern Site & Environmental is awarded the interior demolition job in the Medical Sciences Research Building renovation.

MARCH 2004
N.C. Department of Environment and Natural Resources begins an investigation into allegations of hazardous chemicals at the site.

JUNE 2004
SS&E files for bankruptcy protection under Chapter 11. Company officials announce their intent to file a lawsuit against the University.

JANUARY 2005
The U.S. Bankruptcy Court in Eastern North Carolina orders SS&E to file a civil action within 120 days regarding their contract complaints.

BOYS OF SUMMER



DTH/ISAAC SANDLIN

Freshman pitcher Tyler Trice is unable to stop the Georgia Tech onslaught in the eighth inning of an 8-1 loss. Although the Heels lost the final game, they won the team's first series against the Yellow Jackets since 2001, setting a new record at Boshamer Stadium with 32 wins at

home this season. The previous record was 30 wins, reached both in 2000 and 1993. "That's a great accomplishment for our players," said UNC coach Mike Fox. The two close victories against Ga. Tech should build the team's confidence in the postseason, he said. For the full story, please see page 9.

Banquet honors UNC sports elite

Dorrance, Durham and Lam recognized

BY ROCKY RIVERO
SPORTS EDITOR

Most of the people inducted into the N.C. Sports Hall of Fame are retired from athletics by the time they're honored. At the annual banquet Thursday in Raleigh, an exception was made for the "Voice of the Tar Heels" and one of the University's most successful coaches.

Radio announcer Woody Durham and UNC women's soccer coach Anson Dorrance were inducted for their prevailing contributions to sports in North Carolina.

Reese Edwards, executive director of the N.C. Sports Hall of Fame,

said both men are representative of the ideal balance that is vital to the selection process. "We look for athletic achievements that have brought honor not only to the athletes but to the state as well," he said.

Former UNC wrestling coach Bill Lam was also honored last week with a Lifetime Service to Wrestling Award, presented by the state chapter of the National Wrestling Hall of Fame.

Lam retired in 2003 after winning 15 ACC titles during his 30-year career at UNC and was named National Coach of the Year in 1982 and mentored five NCAA champions.

Lam said he's honored by his induction, but any award given

SEE HALL OF FAME, PAGE 5

Town council weighs lot developers

Firm could be pegged by mid-June

BY CHRIS CARMICHAEL
STAFF WRITER

Dressed in black suits and crisply knotted ties, representatives of Ram Development Company and Grubb Properties made their claims Monday to the future of downtown Chapel Hill.

The development vision that will drive an undoubtedly major transformation to the town's urban landscape could be decided by the Chapel Hill Town Council as early as June 15.

The selected firm will have the task of developing phase one of a major downtown project. The first phase includes development of a mixed-used facility on lot 5 across from University Square and an expansion of the Wallace Deck on Rosemary Street.

While council members say they

will await town consultant John Stainback's assessment before making any decisions, early opinions are percolating — perhaps to the delight of Ram Development Co.

"I am now inclined to view the Ram proposal as a much stronger proposal," said council member Jim Ward.

Ward said he was impressed by the 25 days Ram spent in Chapel Hill speaking to a focus group composed of various town leaders, including affordable housing advocates Empowerment, Inc.

Empowerment co-director Delores Bailey said she too was struck by Ram's level of communication with existing neighborhoods, especially the Northside community, which abuts lot 5.

"The way Ram is handling the project is inclusive," Bailey said.

ANALYSIS

Universities assess tuition

Tuition autonomy is a national issue

BY WHITNEY ISENHOWER
STAFF WRITER

Universities across the country are searching in places besides state legislatures for dollars to run their schools, and many don't want the state or an overarching board to have a say in it.

A provision in the N.C. Senate budget would allow both UNC-Chapel Hill and N.C. State University to follow the emerging trend of schools setting their own tuition rates.

As the two largest schools in the UNC system, discussion about how to properly fund the state's research universities led to talks about tuition autonomy.

But other systems also have implemented tuition autonomy policies to better meet individual university needs, and officials warn that the move doesn't solve all tuition problems.

The University of Virginia has utilized a tuition-autonomous approach.

But the Virginia legislature still places freezes and caps that make planning long-term tuition rates difficult, said Melody Bianchetto,

director of the budget for UVA.

"It's very unpredictable when it's not consistently applied," she said. "By knowing that the state won't come in and change us every year it makes us able to plan."

Recent legislation could allow even greater and more concrete tuition autonomy for its universities.

The Virginia General Assembly passed amendments to the Higher Education Restructuring Bill in April that allow three different levels of autonomy based on the institutions' financial capabilities.

The schools also could outline six-year plans for tuition and fee ideas.

"We're hoping with autonomy (tuition) can become more consistent and predictable," Bianchetto said.

The University of Texas system implemented a tuition autonomy policy in 2003.

Don Davis, associate director of the office of student financial services at the University of

SEE AUTONOMY, PAGE 5



DTH/BRANDON SMITH

Vice Chancellor of Student Affairs Peggy Jablonski (right) speaks with John Adams at a meeting on the first day of student leader orientation.

Jablonski's first year fostered communication

BY JOSEPH R. SCHWARTZ
UNIVERSITY EDITOR

One year ago, the Division of Student Affairs was in flux.

Then the University hired Margaret Jablonski.

Officials said the Vice Chancellor for Student Affairs provides much-needed stability to the post and revitalized the division through internal reorganization and external relations.

Friday marks the one-year anniversary of her appointment — an announcement that was the result of a 15-month nationwide hunt by two search committees.

Provost Robert Shelton said the end result was worth the wait.

"The qualities that we saw in her in the interview process have proven correct," he said. "She's a very engaged person; she's very open and accessible."

Jablonski, who left her job as dean for campus life at Brown University for UNC, wasted no time in shaking up the division.

In January, she rolled out significant changes that created several new positions, including two associate vice chancellors, a senior associate dean of students and a director of development and alumni affairs. The move was more fluid than Jablonski had hoped, and she said it's created increased responsiveness.

She also made a concerted effort to bolster the division's presence on campus by holding weekly lunch meetings with members of more than 100 student organizations.

"She's someone that students can trust and that has demonstrated time and time again that she really cares about what students think," said Matt Calabria, former student body president.

The meetings allowed Jablonski to get used to the University, but she said she didn't know that UNC was truly her home until the spring. "It was a combination of just working with a lot of student leaders on a

"You see more from what people do than from what they say, and I have seen her actions match her words."

VIRGINIA CARSON,
CAMPUS Y DIRECTOR

SEE JABLONSKI, PAGE 5

ONLINE

The UNC Board of Trustees will examine plans for Carolina North at its full meeting Thursday morning. Check www.dthonline.com for updated coverage.

ARTS

MUSIC TO YOUR EARS
Bands in the local scene are more connected than you think. PAGE 7

THE NEXT EPISODE

LIVING UP TO THE HYPE
Anakin, Obi-Wan, and Yoda return to the big screen in the sixth "Star Wars" film. PAGE 9

WEATHER

TODAY Sunny, H 79, L 56
FRIDAY Partly Cloudy, H 84, L 59
SATURDAY Partly Cloudy, H 83, L 59

