



Board of Trustees
Finance and Facilities Committee Meeting
Fairwinds Alumni Center
September 25, 2014

MINUTES

CALL TO ORDER

Trustee Marcos Marchena, chair of the Finance and Facilities Committee, called the meeting to order at 10:49 a.m. Committee members Weston Bayes, Alex Martins, and Reid Oetjen were present. Committee member John Sprouls attended via teleconference. Chair Olga Calvet and Trustees Clarence Brown, Richard Crotty, Ray Gilley, and Beverly Seay were present.

NEW BUSINESS

Golden Knights Corporation East Side Club and Athletic Leadership Center Debt (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and Brad Stricklin, Senior Associate Athletics Director and Chief Financial Officer, presented a plan to issue debt up to \$8 million through the Golden Knights Corporation via a 15-year bank loan. The loan will be used to construct a premium seating and club lounge on the east side of the football stadium bowl and an Athletic Leadership Center adjacent to the football stadium on the east side. Stricklin updated the committee on the funding already received and how the financing of the projects has been adjusted accordingly. Merck alerted the committee that the Board of Governors resolution presented to them stated the debt would be issued through the UCF Athletics Association. However, the debt will be issued through the Golden Knights Corporation. The committee unanimously approved the debt issuance with that correction noted.

Florida Advanced Manufacturing Research Center (FFC-2)

Merck and M.J. Soileau, Vice President for Research & Commercialization, requested approval for UCF participation in a center in Osceola County for advanced manufacturing research. Osceola County owns and is setting aside a 165-acre parcel of property to foster the growth of an advanced manufacturing industry cluster. The county is committing \$61 million to the project. UCF is committing \$10 million in contract and grant indirect cost funds in support of research operations. The research and development building will be operated by UCF for 40 years with the ownership transferred thereafter. A non-profit consortium will foster development of the industry center for the promotion of cooperative research and development by UCF, industry, and government partners, with UCF, FHTCC, and the county represented on the board of the consortium. The committee unanimously approved UCF's involvement in this project.

Refinancing of the UCF Convocation Corporation Series 2005A Certificates of Participation Update (INFO-1)

John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, updated the committee on the UCF Convocation Corporation Series 2005A Certificates of Participation refinancing that was approved at the August 5, 2014, Finance and Facilities Committee meeting. The UCFCC accepted a proposal from SunTrust Bank consisting of a 20-year bank loan with an interest rate of 3.8 percent, resulting in \$7.2 million in savings over the life of the refinancing and a 5.96 percent net present value savings.

OTHER BUSINESS

Merck provided the committee with an update on the hotel currently being considered for the UCF property at the corner of Alafaya Trail and University Boulevard.

Chair Marchena adjourned the Finance and Facilities Committee meeting at 11:24 a.m.

Respectfully submitted: _____
William F. Merck II
Vice President for Administration and Finance
and Chief Financial Officer
Date _____