



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
FAIRWINDS Alumni Center
January 18, 2018

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 11:25 a.m. Committee members Robert Garvy, William Self, John Sprouls, David Walsh, and Bill Yeargin were present. Chairman Marcos Marchena was present. Trustees Ken Bradley, Clarence Brown, Joseph Conte, and John Lord were present.

NEW BUSINESS

Parking, Housing, and Health Auxiliary Facilities Operating Budgets (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and Christina Tant, Assistant Vice President and University Controller, presented for approval the 2018-19 operating budgets for the Parking, Housing, and Health university auxiliary facilities.

The Board of Governors amended regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds to require the operating budget for these facilities be approved by the university's Board of Trustees prior to its submission to the Board of Governors in February. Previously, the operating budget for these facilities were approved as part of the university's operating budget in May. The committee unanimously approved the budgets as submitted.

WUCF TV Channel Sharing Agreement (FFC-2)

Grant J. Heston, Vice President for Communications and Marketing, and Phil Hoffman, Executive Director of WUCF, presented for approval changes to a channel-sharing agreement between WUCF TV and Good Life Broadcasting, Inc. The agreement was originally approved by the UCF Board of Trustees in October 2017.

As noted at the time of approval, the agreement was subject to review by the Federal Communications Commission (FCC). After review, the FCC requested amended contract language to clarify points related to technical operations. The FCC also requested a list of equipment related to the channel share. The FCC has indicated these clarifications will complete its review of the agreement.

Additionally, WUCF TV and the UCF Foundation inserted language to ensure that all funds received that are eligible to be included in "Ignite: The Campaign for UCF" are included in the

campaign. All terms, bandwidth allocation, and payments remain as originally approved by the board. The committee unanimously approved the changes to the agreement.

Lake Nona Incubator Lease Agreement (FFC-3)

Thomas O’Neal, Associate Vice President for Innovation and Commercialization, and Sandra Sovinski, Senior Associate General Counsel, presented for approval an amendment to the lease agreement with Tavistock (approved by the UCF Board of Trustees in November 2016) for the Lake Nona Innovation Center I, LLC, for the developing life sciences incubator for UCF at Lake Nona.

In 2013, Florida Hospital received half of \$5 million state of Florida appropriated economic opportunity funds from the city of Orlando for a Florida Hospital Health Village life sciences incubator. In 2017, the city of Orlando and Florida Hospital amended their agreement to commit the funds to one life sciences incubator at Lake Nona Medical City. As a result, Tavistock obtained from Florida Hospital an additional \$2,324,223 for the construction and operation of the Lake Nona life sciences incubator. Accordingly, the lease is being revised to include these additional funds, to confirm their intended use, and to set forth the good faith obligations of each party if projected total costs exceed the new total allowance.

Chairman Marchena requested that if the budget for the incubator completion is exceeded, O’Neal must come back before the committee to explain the overage. The committee unanimously approved the amendment with Chairman Marchena’s stipulation.

UCF Finance Corporation Line of Credit for the UCF Downtown Campus (FFC-4)

Merck and John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, requested approval for the UCF Finance Corporation to procure a line of credit of up to \$14 million to provide the cash flow needed for construction of the UCF Downtown Campus.

The construction of the Dr. Phillips Academic Commons at the UCF Downtown Campus is being financed by the state of Florida, university resources, and philanthropic pledges. These pledges, matched by the state commitment, might be paid at times that are not tied to the construction draw schedule. This line of credit will be used to ensure timely cash flow to meet those draw requirements and allow construction to progress. It is anticipated that the line will be used, to the extent needed, after using the cash provided by the state and university resources.

Upon approval by the board, an Invitation to Negotiate will be issued to procure the line, which will have a life not to exceed five years and will be secured by the pledges. Chair Martins sits on the UCF Finance Corporation’s Board of Directors, and as such will represent the Finance and Facilities Committee when approving the selected financial provider. The committee unanimously approved the request.

Chair Martins adjourned the Finance and Facilities Committee meeting at 11:40 a.m.

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