


June 29, 2016

TO: Members of the Board of Trustees

FROM: Scott A. Jordan 
Executive Vice President for Administration and Chief Financial Officer

RE: Revised Allocation of Bond Authorizations as set forth in the Nineteenth
Supplemental Indenture (University of Connecticut General Obligation Bonds)

RECOMMENDATION:

That the Board of Trustees approve the reallocation of bond authorizations among capital projects by amending Appendix A of the Nineteenth Supplemental Indenture, as follows:

- Decrease Avery Point Campus Undergraduate and Library Building by \$124,286.71 for a total fiscal year 2013-2014 bond authorization for such project of \$380,713.29; and
- Decrease Gant Building Renovations by \$3,093,982.00 for a total fiscal year 2013-2014 bond authorization for such project of \$906,018.00; and
- Decrease Psychology Building Renovation/Addition by \$321,151.00 for a total fiscal year 2013-2014 bond authorization for such project of \$2,787,399.00; and
- Decrease Storrs Hall Addition by \$78,832.88 for a total fiscal year 2013-2014 bond authorization for such project of \$223,521.12; and
- Increase Academic and Research Facilities by \$3,093,982.00 for a total fiscal year 2013-2014 bond authorization for such project of \$4,093,982.00; and
- Increase Deferred Maintenance/Code/ADA Renovation Lump Sum by \$524,270.59 for a total fiscal year 2013-2014 bond authorization for such project of \$15,657,885.59.

BACKGROUND:

The Board of Trustees approved the Nineteenth Supplemental Indenture on June 26, 2013 supplementing the Master Indenture of Trust dated November 1, 1995. The Governor signed the Nineteenth Supplemental Indenture on July 11, 2013.

On July 31, 2013, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2013 Series A in the aggregate principal amount of \$223,910,000, with sale proceeds in the amount of \$189,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture.

On April 22, 2014, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2014 Series A in the aggregate principal amount of \$109,050,000, with sale proceeds in the amount of \$120,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture.

On April 16, 2015, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2015 Series A in the aggregate principal amount of \$220,165,000, with sale proceeds in the amount of \$250,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture.

On April 21, 2016, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2016 Series A in the aggregate principal amount of \$261,510,000, with sale proceeds in the amount of \$300,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture.

On September 25, 2013, February 26, 2014, June 24, 2015 and March 30, 2016 the Board of Trustees amended the Nineteenth Supplemental Indenture to reallocate bond authorizations among capital projects.

Appendix A, attached hereto, lists the projects and the amount of bond proceeds authorized for each project for Fiscal Year 2013-2014, including this submission, and updates the total amounts of debt service commitment bonds ("DSC Bonds") needed as well as the prior DSC Bonds authorized for each project.

**RESOLUTION AMENDING THE NINETEENTH SUPPLEMENTAL INDENTURE
TO REALLOCATE FISCAL YEAR 2013-2014
GENERAL OBLIGATION BOND AUTHORIZATIONS**

WHEREAS, on June 26, 2013, the University of Connecticut (the "University"), by vote of its Board of Trustees, approved the Nineteenth Supplemental Indenture (the "Nineteenth Supplemental Indenture") supplementing the Master Indenture of Trust dated as of November 1, 1995 between the University and Fleet National Bank of Connecticut (predecessor to U.S. Bank National Association), as trustee (the "Master Indenture"); and

WHEREAS, on July 31, 2013, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2013 Series A in the aggregate principal amount of \$223,910,000, with sale proceeds in the amount of \$189,000,000 part of which were to be spent on the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture; and on April 22, 2014, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2014 Series A in the aggregate principal amount of \$109,050,000, with sale proceeds in the amount of \$120,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture; and on April 16, 2015, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2015 Series A in the aggregate principal amount of \$220,165,000, with sale proceeds in the amount of \$250,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture; and on April 21, 2016, the University, in conjunction with the Treasurer of the State of Connecticut (the "State Treasurer"), issued the University's General Obligation Bonds, 2016 Series A in the aggregate principal amount of \$261,510,000, with sale proceeds in the amount of \$300,000,000 which financed part of the Fiscal Year 2013-2014 bond authorizations in accordance with the Nineteenth Supplemental Indenture.

WHEREAS, on September 25, 2013, February 26, 2014, June 24, 2015 and March 30, 2016 the University reallocated certain of the fiscal year 2013-2014 bond authorizations by amending the Nineteenth Supplemental Indenture; and

WHEREAS, it has been determined that the allocations for the proceeds of the bonds authorized by the Nineteenth Supplemental Indenture should be revised to reflect the actual progress made on certain of the projects; and

WHEREAS, the University desires to amend the Nineteenth Supplemental Indenture to restate the bond authorizations as set forth in Appendix A of the Nineteenth Supplemental Indenture.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the University as follows:

That Appendix A to the Nineteenth Supplemental Indenture hereby is amended to reallocate the Fiscal Year 2013-2014 bond authorization amongst projects as follows: (a) decrease Avery Point Campus Undergraduate and Library Building by \$124,286.71 for a total fiscal year 2013-2014 bond authorization for such project of \$380,713.29; and (b) decrease Gant

Building Renovations by \$3,093,982.00 for a total fiscal year 2013-2014 bond authorization for such project of \$906,018.00; and (c) decrease Psychology Building Renovation/Addition by \$321,151.00 for a total fiscal year 2013-2014 bond authorization for such project of \$2,787,399.00; and (d) decrease Storrs Hall Addition by \$78,832.88 for a total fiscal year 2013-2014 bond authorization for such project of \$223,521.12; and (e) increase Academic and Research Facilities by \$3,093,982.00 for a total fiscal year 2013-2014 bond authorization for such project of \$4,093,982.00; and (f) increase Deferred Maintenance/Code/ADA Renovation Lump Sum by \$524,270.59 for a total fiscal year 2013-2014 bond authorization for such project of \$15,657,885.59; and to update the total amounts of debt service commitment ("DSC") bonds needed as well as the prior DSC bonds authorized for each project.

This Resolution shall take effect upon adoption by the Board of Trustees.

**APPENDIX A
(as amended) ¹**

**NINETEENTH SUPPLEMENTAL INDENTURE
UCONN 2000 INFRASTRUCTURE IMPROVEMENT PROGRAM
FISCAL YEAR 2013-2014
UCONN 2000 BOND AUTHORIZATIONS
_____ SERIES _____ BOND PROJECTS**

UCONN 2000 Projects*	UCONN 2000 Phase III Total Needed -D.S.C. Bonds**	Fiscal Year 2013-2014 Bond Authorization (2)	UCONN 2000 Phase III Prior D.S.C. Bond Authorization ***
--<u>Storrs and Regional Campuses</u>			
Academic and Research Facilities	\$510,200,528.40	\$4,093,982.00	\$ -
Avery Point Campus Undergraduate and Library Building	10,461,245.77	380,713.29	10,080,532.48
Deferred Maintenance/Code/ADA Renovation Lump Sum	804,595,378.27	15,657,885.59	171,949,680.25
Engineering Building (with Environmental Research Institute)	94,413,547.06	1,500,000.00	5,500,000.00
Equipment, Library Collections & Telecommunications	299,200,308.00	11,002,682.41	68,138,813.59
Farm Buildings Repairs/Replacement	6,408,304.09	1,308,055.00	3,728,342.09
Gant Building Renovations	13,231,018.00	906,018.00	11,250,000.00
Hartford Relocation Acquisition/Renovation	140,000,000.00	3,125,317.59	-
Heating Plant Upgrade	30,646,897.00	1,057,000.00	1,818,000.00
North Hillside Road Completion	8,200,000.00	2,700,000.00	4,000,000.00
Psychology Building Renovation/Addition	24,337,399.00	2,787,399.00	21,500,000.00
Residential Life Facilities	172,740,899.16	8,000,000.00	10,117,722.01
Stamford Campus Improvements/Housing	11,333,703.00	607,426.00	500,000.00
Storrs Hall Addition	14,664,091.44	223,521.12	14,440,570.32
Waterbury Downtown Campus	1,893,022.00	50,000.00	428,937.00
<u>Subtotal – Storrs and Regional Campuses</u>		<u>\$53,400,000.00</u>	
--<u>Health Center</u>			
CLAC Renovation Biosafety Level 3 Lab	\$16,835,000.00	\$9,710,000.00	\$1,315,000.00
Deferred Maintenance/Code/ADA Renovation Sum — Health Center	47,552,989.03	4,952,003.00	35,980,125.03
Equipment, Library Collections & Telecommunications — Health Center	68,429,390.00	2,290,000.00	54,139,265.00
Main Building Renovation	120,105,675.00	28,009,500.00	48,588,000.00
Medical School Academic Building Renovation	39,047,488.00	25,747,500.00	8,700,000.00
Research Tower	68,580,997.00	8,109,997.00	60,471,000.00
The University of Connecticut Health Center New Construction and Renovation	387,457,001.00	72,181,000.00	99,091,000.00
<u>Subtotal – Health Center</u>		<u>\$151,000,000.00</u>	
Total Fiscal Year 2013-2014 Bond Authorization		\$204,400,000.00	

*Reflects amendments to project names including Public Act No 13-233.

**Includes only Phase III General Obligation Debt Service Commitment amounts needed from 7/1/2005 forward.

***Does not reflect borrowings under Phase I & II including \$50,000,000 of Phase II Project authorizations issued after 7/1/2005 pursuant to the Eleventh Supplemental Indenture.

(1) The Board of Trustees approved the Nineteenth Supplemental Indenture on June 26, 2013 and amended it on September 25, 2013, February 26, 2014, June 24, 2015, March 30, 2016 and June 29, 2016.

(2) The amounts presented herein may vary (1) by resolution of the Board of Trustees provided that such reallocation does not result in the expenditure of proceeds in excess of the total aggregate amount approved as set forth in this supplemental indenture, and (2) by up to 5% upon a written determination by the Executive Vice President for Administration and Chief Financial Officer, as an Authorized Officer pursuant to the Master Indenture as supplemented, including Section 805 thereof, provided any reallocation shall (i) not result in the expenditure of proceeds in excess of the total aggregate amount approved by the Board of Trustees for all projects as set forth in the Master Indenture as supplemented approving such total expenditures; (ii) shall not result in any adverse tax consequences to the University; (iii) be made only that the UCONN 2000 Projects affected by the reallocation can still be completed within the reallocated amounts, together with any other amounts allocated by the Board of Trustees in subsequent supplemental indentures; and (iv) be reported to the Board of Trustees at its next scheduled meeting.