

**University of Nebraska Board of Regents
Board of Regents Meeting Itinerary**

Tuesday, August 17, 2010

3:00 p.m.

Board of Regents meeting

Videoconference is available at these locations--

Varner Hall Board Room

3835 Holdrege Street

Lincoln, NE 68583-0745

University of Nebraska at Omaha

6001 Dodge Street

Eppley Administration Building, Room 200

Omaha, NE 68182

RESOLUTION

University of Nebraska at Kearney

VI. UNIVERSITY ADMINISTRATIVE AGENDA

B. BUSINESS AFFAIRS

University of Nebraska-Lincoln

1. Approve the attached Resolution relating to the Education Center Project at the Nebraska College of Technical Agriculture which (1) approves the issuance of not to exceed \$10,000,000 principal amount of Lease Rental Revenue Bonds, Series 2010 (NCTA Education Center Project) by The University Nebraska Facilities Corporation pursuant to a Trust Indenture, and (2) authorizes the execution and delivery of a Site Lease, if appropriate, Lease-Purchase Agreement, a Continuing Disclosure Agreement, a Tax Compliance Agreement, an Inducement Letter and a Preliminary Official Statement in connection with the sale of such Series 2010 Bonds, (3) authorizes the sale of such Series 2010 Bonds at a negotiated sale pursuant to a Bond Purchase Agreement and authorizes the Vice President for Business and Finance to determine interest rates (not to exceed a true interest cost of 4.25%), principal amounts, principal maturities and redemption provisions of such Series 2010 Bonds, and (4) approves the preparation and use of a final Official Statement Addendum VI-B-1

2. Approve an addition of \$583,000 to the budget for the Education Center Project at the Nebraska College of Technical Agriculture (NCTA) Addendum VI-B-2

TO: The Board of Regents

Business Affairs

MEETING DATE: August 17, 2010

SUBJECT: Financing for the Education Center Project at the University Tw2

Vet Tech Center will have the added advantage of allowing the separation of classroom space and animal facilities, avoiding the attendant problems. Taken together, this Project creates much needed changes providing additional space and functionality vital to continue to attract students to the NCTA campus in Curtis.

The intermediate design was approved by the Business Affairs committee in March, 2010 and presented to the Coordinating Commission for Post- Secondary Education on March 11, 2010.

The Project is being constructed through the use of bond proceeds (repayment through state appropriations), private donations and reserve funds.

The University of Nebraska Facility Corporation Bonds funding the project will be issued with a final maturity of up to 15 years. Current bond market conditions would provide an average interest rate of approximately 4.00% on the Bonds. The annual debt service (principal and interest) for the Series 2010 Bonds will match the anticipated receipt of the appropriations for this purpose.

Members of the public and the news media may obtain a copy of the proposed documents in the office of the University Corporation Secretary, 3835 Holdrege Street, Lincoln, Nebraska 68602-0001.

RESOLUTION

I.

BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA (the “**Board**”) that [(a) the Site Lease (the “**Site Lease**”) between the Board, as lessor, and The University of Nebraska Facilities Corporation (the “**Corporation**”), as lessee, dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation, in the form attached hereto as **Exhibit A** and made a part hereof by reference, and (b)] the Lease-Purchase Agreement (the “**Lease Agreement**”) between the Board, as lessee, and the Corporation, as lessor, dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation, in the form attached hereto as **Exhibit B** and made a part hereof by reference, both with respect to constructing, acquiring, equipping and furnishing the Education Center on the campus of the Nebraska College of Technical Agriculture (NCTA) in Curtis, Nebraska (the “**NCTA Education Center Project**”), for the use of the Board, which [Site Lease and] Lease Agreement [are/is] hereby approved, adopted, ratified and affirmed, together with such changes, additions, deletions or modifications as the Chair of the Board, University counsel and bond counsel shall approve as being in the best interests of the Board and the University of Nebraska.

II.

BE IT FURTHER RESOLVED BY THE BOARD that the issuance, sale and delivery by the Corporation of its Lease Rental Revenue Bonds, Series 2010 (NCTA Education Center Project) in an aggregate principal amount not to exceed \$10,000,000 dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation (the “**Bonds**”), pursuant to the Trust Indenture between the Corporation and a financial institution having trust powers selected jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation (the “**Trustee**”) dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation, a copy of which is attached hereto as **Exhibit C**, the terms of which and of the Bonds are hereby approved, adopted, ratified and affirmed, together with such changes, additions, deletions or modifications as the Chair of the Board, University counsel and bond counsel shall approve as being in the best interests of the Board and the University of Nebraska.

III.

BE IT FURTHER RESOLVED BY THE BOARD that the Vice President for Business and Finance is hereby authorized and directed to approve the sale of the Bonds at a negotiated sale at a true interest cost not to exceed four and one-quarter percent (4.25%) to Ameritas Investment Corp. (the “**Underwriter**”) pursuant to (a) a Bond Purchase Agreement between the Corporation and the Underwriter and (b) an Inducement Letter from the Board to the Corporation and the Underwriter, each dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation, in the forms presented to the Board as **Exhibit D** and **Exhibit E**, respectively, and made a part hereof by this reference, which Bond Purchase Agreement and Inducement Letter are hereby adopted, ratified, affirmed and approved, together with such changes or modifications as the Chair of the Board, University counsel and bond counsel shall approve as being in the best interests of the Board and the University of Nebraska. The Vice President for Business and Finance, on behalf of the Board, is hereby authorized and directed to approve the principal amount of Bonds to be issued (not to exceed \$10,000,000) and the principal maturities, interest rates and redemption provisions thereof and to take all necessary actions and execute all necessary documents to effect the sale of the Bonds.

IV.

BE IT FURTHER RESOLVED BY THE BOARD that the Preliminary Official Statement of the Corporation with respect to the Bonds, dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation, in the form presented to the Board as **Exhibit F**, together with such changes, additions, deletions or modifications as the Chair of the Board, University counsel and bond counsel shall approve as being in the best interests of the Board and the University of Nebraska, and the final Official Statement to be dated as of the date of sale with respect to

V.

BE IT FURTHER RESOLVED BY THE BOARD that (a) the Tax Compliance Agreement dated the date determined jointly by the Vice President for Business and Finance and the Secretary/Treasurer of the Corporation among the Board, the Corporation and the Trustee to satisfy the requirements of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder with respect to the Bonds in the form attached hereto as **Exhibit G** and made a part hereof by reference, and (b) the Continuing Disclosure Agreement dated the date determined by the Vice President for Business and Finance between the Board and the Trustee to satisfy the requirements of Rule 15c2-12 of the Securities and Exchange Commission with respect to the Bonds in the form attached hereto as **Exhibit H** and made a part hereof by reference, are each hereby approved, adopted, ratified and affirmed, together with such changes, additions, deletions or modifications as the Chair of the Board, University counsel and bond counsel shall approve as being in the best interests of the Board and the University of Nebraska.

VI.

BE IT FURTHER RESOLVED BY THE BOARD that the members and officers of the Board and the officials of the University of Nebraska, or any of them, be, and they hereby are, and each of them hereby is, authorized and directed to take any and all action including the execution of all papers, certificates, receipts and documents, they or any of them may deem necessary or desirable to effectuate, in accordance with the terms of this Resolution, the delivery of and payment for the Bonds.

VII.

BE IT FURTHER RESOLVED BY THE BOARD that all actions heretofore taken for or on behalf of, or in the name of the Board, by any of the members or officers thereof or by any officers of the University of Nebraska with respect to the authorization or offering for sale of the Bonds are hereby validated, ratified and confirmed.

TO: The Board of Regents
Business Affairs

MEETING DATE: August 17, 2010

SUBJECT: Increase project budget for the Education Center Project at the Nebraska College of Technical Agriculture

RECOMMENDED ACTION: Approve an addition of \$583,000 to the budget for the Education Center Project at the Nebraska College of Technical Agriculture (NCTA)

PREVIOUS ACTION: March 5, 2010 – The Board of Regents accepted a Report on Intermediate Design for the Education Center Project.

September 4, 2009 - The Board of Regents approved the selection of The Clark Enersen Partners to provide design services for the Education Center.

March 7, 2008 – The Board of Regents approved the Program Statement and Budget for the Education Center Project.

EXPLANATION: The Project will construct a new 27,000-square-foot Education Center to replace the current horticulture classroom facility, construct an addition to the existing Vet Tech Center, and will renovate the old dairy barn which will become a simulated veterinary clinic. The Project will create a home for the Horticulture Systems Division, provide additional space for the Veterinary Technology Systems and provide a student commons space for students to gather for social activities and special events. The Vet Tech Center will have the added advantage of allowing the separation of classroom space and animal facilities, avoiding the attendant problems. Taken together, this Project creates much needed changes providing additional space and functionality vital to continue to attract students to the NCTA campus in Curtis.

The intermediate design was approved by the Business Affairs committee in March, 2010 and presented to the Coordinating Commission for Post- Secondary Education on March 11, 2010.

The bids for the Project came in at approximately \$950,000 over the construction budget. A post bid addendum was issued to all bidders requesting cost reduction items to be submitted. Approval of this agenda item would accept \$367,000 in cost reductions and increase the budget by \$583,000. Additional funding would be \$504,000 from NCTA reserves and \$79,000 from the 309 Task Force For Building Renewal.

Proposed start of construction	September 2010
Proposed completion of construction	July 2011

PROJECT COST: Original Budget CCASE the budget

ON-GOING FISCAL IMPACT:	Estimated Operating and Maintenance	\$47,500
	1% Assessment	103,345

SOURCE OF FUNDS:	Bond Proceeds	\$8,762,000
	Donations	<u>1,000,000</u>
	Original Budget	9,762,000
	NCTA reserves	504,000
	LB 309 funds	<u>79,000</u>
	Budget, as amended	<u>\$10,345,000</u>

SPONSORS:

Weldon Sleight, Dean
Nebraska College of Technical Agriculture

Alan R. Moeller, Assistant Vice Chancellor
Institute of Agriculture and Natural Resources

Ronnie D. Green
Vice President for Agricultural and Natural Resources
IANR Harlan Vice Chancellor

RECOMMENDED: James B. Milliken, President
University of Nebraska

DATE: August 1, 2010