

FCR 5

Office of the President
October 14, 2008

Members, Board of Trustees:

EXPAND COLDSTREAM RESEARCH
CAMPUS - REDUNDANT FEEDS

Recommendation: that the Board of Trustees approve initiation of the Expand Coldstream Research Campus – Redundant Feeds capital project.

Background: Authorized by the 2008 Kentucky General Assembly, this project will install redundant electrical and fiber optic supply on the Coldstream Research Campus. Several of the existing companies located on the Coldstream Research Campus have an immediate need for the redundant electrical and fiber optic supply and this will provide an additional asset to the Coldstream Research Campus for recruiting companies, specifically high-tech companies, to locate on the campus.

This project is estimated to cost \$6.5 million, within the authorized scope of \$10 million. Kentucky Technology, Inc. (KTI) will be the agent for the project which will be financed primarily with a \$5.5 million grant from the Kentucky Economic Development Finance Authority to KTI. The remaining \$1 million, funded from unrestricted University fund balances, will be transferred to KTI for the sole purpose of completing the project. In consideration of receipt of this grant, the University designates KTI as the University's agent for purposes of collecting rents at its Coldstream Research Campus and directs KTI to set aside 10 percent of all rents in a separate account for use in connection with future developments and enhancements and economic development initiatives at Coldstream.

Action taken: Approved Disapproved Other _____