

FCR 4

Office of the President
September 11, 2007

Members, Board of Trustees:

APPROVAL OF LEASE

Recommendation: that the Board of Trustees authorize the Executive Vice President for Finance and Administration to negotiate and execute:

A new lease between the University of Kentucky (Division of Information Technology and UK HealthCare) and Lexington Holding Two, LLC, 2600 Philmont Avenue, Suite 215, Huntingdon Valley, PA 19006 for space located within the Coldstream Research Campus, in the Lexhold International Center for Technological Innovation, Building B for the use of approximately 70,500 square feet of data center space, at an annual rate not to exceed \$2,000,000.

Background: At its June 14, 2005 meeting the Board of Trustees amended the Governing Regulations (SCGR 1) to require all leases in excess of \$100,000 be approved by the Board of Trustees. The President or his designated representative is authorized to enter into leases and easements not exceeding \$100,000 in value.

The new comprehensive data center located at Coldstream Research Park would house the main campus data center (currently located in McVey Hall) and the data center at the Chandler Medical Center. Relocating the campus data center will allow the university to reassign quickly approximately 33,000 square feet of space in the core of campus for classrooms and faculty offices.

This comprehensive data center - supporting research, administrative, and health care functions - would be capable of offering substantial technological services. The computational research facilities also could support infrastructure needs for new economy businesses locating at Coldstream.

The lease would be funded by the university and UK HealthCare.

Action taken: Approved Disapproved Other _____