

MINUTES OF THE FINANCE COMMITTEE
University of Kentucky Board of Trustees
February 22, 2011, 11:15 AM
18th Floor Patterson Office Tower, Board Room

Committee Members Present

Jim Stuckert, Chairperson, Jo Hern Curriss, Keith Gannon, Bill Gatton, Terry Mobley, and Frank Shoop

Approval of Minutes

The minutes of the December 7, 2010, Finance Committee meeting were approved as presented.

FCR 1-5, (Consent)

Jim Stuckert, Chairperson, acknowledged gifts and pledges totaling \$2.84 million, of which \$5,300 is eligible to be matched through the Endowment Match Program. With this gift, the University will have fully matched the available state funds from the Endowment Match Program. Mr. Stuckert thanked the donors for their generous support to the University.

FCR 6, Data Center - Hospital

Jim Stuckert requested the Committee approve the initiation of the “Data Center and Related Support Space” project in the new Patient Care Facility currently under construction; and approve the increase of the existing \$570 million scope of the project to \$575.6 million. Jo Curriss moved for approval. Keith Gannon seconded, and the motion for approval unanimously carried.

FCR 7 – Renovate Schmidt Vocal Arts Center

Jim Stuckert asked the Committee to approve the initiation of “Renovate Schmidt Vocal Arts Center” capital project. The University will proceed with initial design services that are expected to cost \$150,000 and will be funded with accumulated agency funds. These services will provide more finished designs and cost estimates to present to donors. The remainder of the project funds is expected to be from private gifts. Terry Mobley moved for approval. Frank Shoop seconded, and the motion for approval unanimously carried.

FCR 8 – Upgrade Student Center Infrastructure

Jim Stuckert asked the Committee to approve the consolidation and initiation of two infrastructure projects authorized by the 2010 Kentucky General Assembly that will be used to substantially upgrade the Student Center: \$17.805 million from the “Upgrade Student Center Infrastructure” agency bond capital project, and \$5.195 million from the “Repair, Upgrade, Improve Building Mechanical Systems” agency fund project. This will bring the total scope to \$23 million. Dr. Todd noted that Ryan Smith, Student Government President and Board of Trustees member, had spent a lot of time making this project a reality and congratulated him. Frank Shoop moved for approval. Bill Gatton seconded, and the motion for approval unanimously carried.

FCR 9 – Ambulatory EHR Equipment/System

Jim Stuckert requested the Committee approve initiation of the “Ambulatory Electronic Health Record Equipment/System” (EHR) project and make a Declaration of Official Intent to use a future tax-exempt lease-purchase agreement to reimburse some of the capital expenditures. Keith Gannon moved for approval. Jo Curris seconded, and the motion for approval unanimously carried.

FCR 10 – Capital Construction Report

Bob Wiseman, Vice President for Facilities Management, presented the Capital Construction Report for the three months ending December 31, 2010. There were five new contracts, six completed contracts, and 28 change orders. Frank Shoop moved for approval. Terry Mobley seconded, and the motion for approval unanimously carried.

Other Business

George Ward, Executive Director of Coldstream Research Campus (UK-CRC), shared with the Committee a proposal to develop a mixed-use “Life Style” town center in the heart of the Coldstream campus. The Town Center Development Project (TC-Project) is envisioned to be a minimum of 35 acres and will include the addition of up to three research laboratory and incubator buildings and the restoration of the Carnahan House as a conference center.

UK-CRC will retain its research park mission and will grow by focusing on high tech companies created by UK research faculty, staff, and students, as well as divisions of established companies that want to partner with UK in the following research areas: energy self-sufficiency, food security, equine research, healthcare, pharmacy, and a variety of engineering disciplines.

The Executive Director of the Coldstream Research Campus will issue a Request for Proposal (RFP) to qualify and select a master developer to determine the scope of work. As part of the response to the RFP, qualified developers will determine the scope of development (i.e., the number of buildings and their proposed use) the developer is willing to undertake and the proposed timeframe for completion. This will be based on the respondent’s understanding of the UK-CRC market, the amount of construction for which they can obtain appropriate financing, and potential tenants to occupy the space. Frank Butler, Executive Vice President for Finance and Administration, stated the reason for the RFP is to determine if the plan is marketable.

Next Meeting

Tuesday, March 29, 2011, 11:15 AM, 18th Floor Patterson Office Tower Board Room

Respectfully submitted,

Barbara Royalty-Tatum

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