


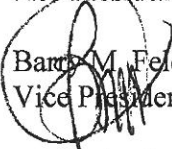


University of Connecticut  
*Office of the Vice President and  
Chief Financial Officer*

September 21, 2010

TO: Members of the Board of Trustees

FROM: Richard D. Gray   
Vice President and Chief Financial Officer

  
Barry M. Feldman  
Vice President and Chief Operating Officer

RE: Revised Allocation of Bond Authorizations as set forth in the Fifteenth  
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 Fifteenth Supplemental Indenture, as follows:

- Increase the Benton State Art Museum Addition by \$100,000 for a total fiscal year 2008-2009 bond authorization for such project of \$3,300,000; and
- Increase the CLAC Renovation Biosafety Level 3 Lab by \$250,000 for a total fiscal year 2008-2009 bond authorization for such project of \$750,000; and
- Increase the Main Building Renovation by \$1,750,000 for a total fiscal year 2008-2009 bond authorization for such project of \$3,650,000; and
- Decrease the Deferred Maintenance/Code/ADA Renovation Lump Sum by \$100,000 for a total fiscal year 2008-2009 bond authorization for such project of \$41,747,717.46; and
- Decrease the Research Tower by \$2,000,000 for a total fiscal year 2008-2009 bond authorization for such project of \$25,630,000.

*An Equal Opportunity Employer*

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## BACKGROUND:

The Board of Trustees approved the Fifteenth Supplemental Indenture on June 24, 2008 supplementing the Master Indenture of Trust dated November 1, 1995. On March 10, 2009, the Board amended the Fifteenth Supplemental Indenture to carry forward the bond authorization of \$115,000,000 previously authorized by, but unissued under the Fourteenth Supplemental Indenture and to reallocate the \$140,000,000 in bond authorizations for Fiscal Year 2008-2009. The Board of Trustees amended the Fifteenth Supplemental Indenture on June 23, 2009. On April 16, 2009, the University, in conjunction with the State Treasurer, issued the University's General Obligation Bonds, 2009 Series A in the aggregate principal amount of \$144,855,000, with sale proceeds in the amount of \$150,000,000 which financed all of the Fiscal Year 2007-2008 bond authorizations, and part of the Fiscal Year 2008-2009 bond authorizations in accordance with the Fifteenth Supplemental Indenture.

The Board of Trustees subsequently amended the Fifteenth Supplemental Indenture on February 18, 2010. On May 25, 2010, the University, in conjunction with the State Treasurer, issued the University's General Obligation Bonds, 2010 Series A in the aggregate principal amount of \$97,115,000, with sale proceeds in the amount of \$105,000,000 which financed all of the remaining Fiscal Year 2008-2009 bond authorizations, in accordance with the Fifteenth Supplemental Indenture.

Appendix A, attached hereto, lists the projects and the amount of bond proceeds authorized for each project for Fiscal Year 2008-2009, 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 FIFTEENTH SUPPLEMENTAL INDENTURE  
TO REALLOCATE FISCAL YEAR 2008-2009  
GENERAL OBLIGATION BOND AUTHORIZATIONS**

**WHEREAS**, on June 24, 2008, the University of Connecticut (the “University”), by vote of its Board of Trustees, approved the Fifteenth Supplemental Indenture (the “Fifteenth 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 State Street Bank and Trust Company and U.S. Bank National Association), as trustee (the “Master Indenture”); and

**WHEREAS**, on March 10, 2009, the University amended the Fifteenth Supplemental Indenture to carry forward the bond authorizations for Fiscal Year 2007-2008 authorized by the Fourteenth Supplemental Indenture and to reallocate certain of the Fiscal Year 2008-2009 bond authorizations; and

**WHEREAS**, on April 16, 2009, the University, in conjunction with the Treasurer of the state of Connecticut (the “State Treasurer”), issued the University’s General Obligation Bonds, 2009 Series A in the aggregate principal amount of \$144,855,000, with sale proceeds in the amount of \$150,000,000 which were to be spent on the Fiscal Year 2007-2008 and Fiscal Year 2008-2009 bond authorizations in accordance with the Fifteenth Supplemental Indenture; and

**WHEREAS**, on June 23, 2009, and February 18, 2010 the University reallocated certain of the fiscal year 2008-2009 bond authorizations by amending the Fifteenth Supplemental Indenture; and

**WHEREAS**, on May 25, 2010, the University, in conjunction with the Treasurer of the state of Connecticut (the “State Treasurer”), issued the University’s General Obligation Bonds, 2010 Series A in the aggregate principal amount of \$97,115,000, with sale proceeds in the amount of \$105,000,000 which were to be spent on the Fiscal Year 2008-2009 bond authorizations in accordance with the Fifteenth Supplemental Indenture; and

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

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

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

That Appendix A to the Fifteenth Supplemental Indenture hereby is amended to reallocate the Fiscal Year 2008-2009 bond authorization amongst projects as follows: a) increase the Benton State Art Museum Addition by \$100,000 for a total fiscal year 2008-2009 bond authorization for such project of \$3,300,000; and (b) increase the CLAC Renovation Biosafety Level 3 Lab by \$250,000 for a total fiscal year 2008-2009 bond authorization for such project of \$750,000; and (c) increase the Main Building Renovation by \$1,750,000 for a total fiscal year

2008-2009 bond authorization for such project of \$3,650,000; and (d) decrease the Deferred Maintenance/Code/ADA Renovation Lump Sum by \$100,000 for a total fiscal year 2008-2009 bond authorization for such project of \$41,747,717.46; and (e) decrease the Research Tower by \$2,000,000 for a total fiscal year 2008-2009 bond authorization for such project of \$25,630,000 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<sup>(1)</sup>**

**FIFTEENTH SUPPLEMENTAL INDENTURE**  
**UCONN 2000 INFRASTRUCTURE IMPROVEMENT PROGRAM**  
**FISCAL YEAR 2008-2009**  
**UCONN 2000 BOND AUTHORIZATIONS**

<b>UCONN 2000 Projects*</b>	<b>UCONN 2000 Phase III Total Needed DSC Bonds**</b>	<b>Fiscal Year 2008-2009 Bond Authorization<sup>(2)</sup></b>	<b>UCONN 2000 Phase III Prior DSC Bond Authorization***</b>
<b>--<u>Storrs and Regional Campuses</u></b>			
Arjona and Monteith (new classroom buildings)	\$95,000,000	\$ 11,200,000.00	\$37,900,000
Avery Point Campus Undergraduate and Library Building	12,800,000	1,550,000.00	500,000
Avery Point Renovation	447,283	447,282.54	-
Beach Hall Renovations	8,000,000	500,000.00	1,000,000
Benton State Art Museum Addition	3,500,000	3,300,000.00	200,000
Biobehavioral Complex Replacement	5,000,000	100,000.00	-
Deferred Maintenance/Code/ADA Renovation Lump Sum	285,508,252	41,747,717.46	79,643,575
Engineering Building (with Environmental Research Institute)	41,200,000	2,500,000.00	-
Equipment, Library Collections & Telecommunications	56,414,575	5,005,000.00	43,909,575
Family Studies (DRM) Renovation	6,500,000	3,325,000.00	375,000
Farm Buildings Repairs/Replacement	4,600,000	1,145,000.00	2,600,000
Fine Arts Phase II	23,000,000	1,750,000.00	500,000
Floriculture Greenhouse	5,000,000	600,000.00	-
Gant Building Renovations	63,600,000	1,750,000.00	-
Gentry Completion	10,000,000	5,000,000.00	5,000,000
Intramural, Recreational and Intercollegiate Facilities	34,000,000	500,000.00	31,000,000
Jorgensen Renovation	7,200,000	2,100,000.00	100,000
Koons Hall Renovation/Addition	7,000,000	100,000.00	-
Law School Renovation/Improvements	19,500,000	150,000.00	15,000,000
North Hillside Road Completion	8,200,000	250,000.00	1,250,000
Psychology Building Renovation/Addition	20,000,000	750,000.00	-
Storrs Hall Addition	14,000,000	1,000,000.00	550,000
Torrington Campus Improvements	2,500,000	500,000.00	-
Waterbury Downtown Campus	1,850,000	150,000.00	300,000
West Hartford Campus Renovations/Improvements	12,650,000	5,400,000.00	1,500,000
Young Building Renovation/Addition	10,000,000	<u>750,000.00</u>	-
<b><u>Subtotal – Storrs and Regional Campuses</u></b>		<b><u>\$91,570,000.00</u></b>	

<b>--<u>Health Center</u></b>			
CLAC Renovation Biosafety Level 3 Lab	\$15,000,000	\$750,000	\$530,000
Deferred Maintenance/Code/ADA Renovation Sum —			
Health Center	45,900,000	5,360,000	19,145,125
Dental School Renovation	5,000,000	450,000	3,075,000
Equipment, Library Collections and Telecommunications -			
Health Center	63,595,850	12,590,000	28,565,725
Main Building Renovation	77,639,150	3,650,000	1,745,000
Research Tower	49,565,000	<u>25,630,000</u>	23,935,000
<u>Subtotal – Health Center</u>		<u>\$48,430,000</u>	
<b>Total Fiscal Year 2008-2009 Bond Authorization</b>		<b>\$140,000,000</b>	

\*Reflects amendments to project names by Public Act No 02-3 of the May 2002 Special Session and by Public Act No 07-108 of the 2007 Session of the Connecticut General Assembly, and Public Act No. 10-104 of the 2010 Session of the Connecticut General Assembly

\*\*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.

<sup>(1)</sup> The Board of Trustees approved the Fifteenth Supplemental Indenture on June 24, 2008 and amended it on March 10, 2009, June 23, 2009, February 18, 2010 and September 21, 2010.

<sup>(2)</sup> 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 Vice President 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.