

AGENDA ITEM

A-2. Approval of Capital Projects and Financing – UNCC..... Jonathan Pruitt

Situation: The University of North Carolina at Charlotte requests that the Board approve the capital projects and the special obligation bond financing of the Scott Hall Renovations and the Health and Wellness Center for the purpose of defining the elements of the method of financing.

Background: North Carolina Session Law 2015-241, Section 31.6 provides that prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing including the source of funds, interest rate, and liquidation period.

The award of a contract with a Construction Manager at Risk firm will allow UNC Charlotte to develop an accurate total project cost prior to the issuance of special obligation bonds. This request provides the prerequisite elements of the method of financing required to receive the approval of the Director of the Budget.

Assessment: UNC Charlotte intends to use their available funding sources to develop construction and bid documents sufficient to secure an accurate total project cost, prior to incurring additional costs related to the early issuance of special obligation bond financing. UNC Charlotte will make a future request for Board issuance of special obligation bonds once this process is concluded.

Action: This item requires a vote by the Committee, with full Board vote through the Consent Agenda.

**RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF
NORTH CAROLINA APPROVING FINANCING CERTAIN PROJECTS**

WHEREAS, at the request of the Board of Trustees (the “Board of Trustees”) of the University of North Carolina at Charlotte (“UNC Charlotte”) and the Board of Governors of the University of North Carolina (the “Board of Governors”) and by the attached 2015 legislation (the “Self-Liquidating Legislation”), the General Assembly of North Carolina has authorized certain capital projects for UNC Charlotte and their financing by issuance by the Board of Governors of special obligation bonds; and

WHEREAS, Section 31.6 of Session Law 2015-241 provides, with respect to appropriations made by the 2015 General Assembly for capital improvements, that “[p]rior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects, including the source of funds, interest rate, and liquidation period”; and

WHEREAS, the Director of the Budget has requested that the Board of Trustees and the Board of Governors approve those matters;

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors as follows:

Section 1. **Approval of Financing.** That the Board of Governors hereby approves the capital projects for UNC Charlotte and the special obligation bond financing thereof by the Board of Governors as detailed in and limited by the Self-Liquidating Legislation. The source of funds for repayment of the debt for the Scott Hall Renovations shall be housing receipts, and the source of funds for repayment of the debt for the Health and Wellness Center shall be student fees. The bonds shall have a final maturity of no more than 30 years and shall bear interest at appropriate market rates at the time they are issued.

Section 2. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

The foregoing Resolution was duly adopted by the Board at a regular meeting of the Board held on December 2, 2016 and that the same was passed and adopted by the following vote:

PASSED, ADOPTED, AND APPROVED this December 2, 2016.

STATE OF NORTH CAROLINA)
)
COUNTY OF ORANGE)

SS:

SECRETARY'S CERTIFICATE
OF AUTHENTICATION

I, Andrea Poole, Secretary of the University of North Carolina, *DO HEREBY CERTIFY* that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the Board of Governors of the University of North Carolina at its regular meeting on December 2, 2016 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors of the University of North Carolina held on December 2, 2016 was sent to each member of the Board, and (3) a quorum was present at the meeting on December 2, 2016 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina as of December 2, 2016.

[SEAL]

Andrea Poole, Secretary
The University of North Carolina