PROPOSAL: Series 2019 General Revenue Bonds

Background

We are presenting for your approval the resolution prepared by the University's bond counsel, Miller Canfield, evidencing our intention to borrow funds on both a tax-exempt and taxable basis by issuing general revenue bonds. The bonds issued will not exceed the principal amount needed to produce proceeds of $95,000,000 to be used for new projects, capitalized interest and costs of issuance plus the amount necessary to accomplish the refunding of currently outstanding bonds if the refunding is deemed economical.

The bond proceeds will be used to finance a portion of the site development and construction costs for a new student center/bookstore/dining facility, Arcadia Flats apartment-style housing in the Hilltop Village and the paper/pilot plant equipment relocation.

If market conditions are favorable, a portion of this bond issue may be used to refund currently outstanding general revenue bonds. Current market conditions indicate that refunding certain bonds outstanding may provide an opportunity for the University to achieve present value savings.

We are also asking for your approval to secure our ability to have the President and Vice President for Business and Finance authorized to negotiate, execute and deliver on behalf of the Board the borrowing as recommended by bond counsel.

Recommended Action

It is recommended the Board approve the attached Resolution authorizing the issuance and delivery of the 2019 general revenue bonds, and providing for other matters relating thereto.