

# UTAH COLLEGE OF APPLIED TECHNOLOGY

## AGENDA ITEM

### UCAT BOARD OF TRUSTEES 23 March 2017

ITEM: II.N

TOPIC: DXATC-Washington County Lease-Purchase Agreement Authorization

#### BACKGROUND

Legislative intent language found in Senate Bill 9 passed during the 2017 legislative session, authorizes Dixie Applied Technology College to *“enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$9,505,300 together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements, for the planning, design, and construction of the Industrial Building for the Dixie Applied Technology College permanent main campus building with up to 64,000 square feet.”*

The Board of Trustees has authorized DXATC to receive bond proceeds from Washington County in the amount of \$9,000,000, but since the repayment plan will constitute a capital lease, Board approval for DXATC to enter into the lease-purchase arrangement with Washington County is necessary.

#### RECOMMENDATION

UCAT Administration recommends the Board of Trustees approve a lease-purchase agreement in which participation interests may be created, to provide up to \$9,505,300 together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements, for the planning, design, and construction of the Industrial Building for the Dixie Applied Technology College permanent main campus building with up to 64,000 square feet.

