

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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**SENATE BILL 1809*
Finance Committee Substitute Adopted 6/1/06**

Short Title: University Indebtedness Projects. (Public)

Sponsors:

Referred to:

May 24, 2006

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING,
2 WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN
3 CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT
4 INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA AND TO
5 MAKE REVISIONS TO PREVIOUSLY AUTHORIZED INDEBTEDNESS FOR
6 VARIOUS CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT
7 INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

8 The General Assembly of North Carolina enacts:

9
10
11 **PART I. SELF-LIQUIDATING PROJECTS**

12 **SECTION 1.1.** The purpose of this part is: (i) to authorize the construction
13 or acquisition by certain constituent institutions of The University of North Carolina of
14 the capital improvements projects listed in the part for the respective institutions, and
15 (ii) to authorize the financing of these projects with funds available to the institutions
16 from gifts, grants, receipts, self-liquidating indebtedness, Medicare reimbursements for
17 education costs, or other funds, or any combination of these funds, but not including
18 funds received for tuition or appropriated from the General Fund.

19 **SECTION 1.2.** The capital improvements projects, and their respective
20 costs, authorized by this part to be constructed or otherwise acquired and financed as
21 provided in Section 1.1 of this part, including by revenue bonds, by special obligation
22 bonds as authorized in Section 1.5 of this part, or by both, are as follows:

23
24 Appalachian State University
25 Central Dining Facility – Phase II\$4,850,000
26
27 East Carolina University
28 Mendenhall Student Center and Ledonia Wright Cultural Center –
29 Expansion and Renovation\$39,000,000

1	Todd Dining Hall – Renovation	\$2,100,000
2	Brody School of Medicine – Renovations.....	\$1,200,000
3	Brody School of Medicine – Health Science Campus – Renovations	\$6,000,000
4		
5	Elizabeth City State University	
6	Residence Hall-Heating, Ventilating, and Air-Conditioning	
7	Improvements	\$1,500,000
8		
9	North Carolina State University	
10	Derr Track – Renovation and Expansion – Phase II	\$2,500,000
11	Partners VI Building and Parking Deck	\$40,000,000
12	Centennial Campus Infrastructure	\$10,000,000
13		
14	The University of North Carolina at Chapel Hill	
15	Food Service Facilities – Renovation and Expansion	\$3,500,000
16	Science Complex – Phase II	\$92,200,000
17	Carmichael Auditorium – Renovation and Expansion.....	\$15,000,000
18	Research Resource Facility – Phase II	\$12,400,000
19	Residence Halls – Improvements	\$2,000,000
20	Woollen Gymnasium – Renovation	\$4,500,000
21	Boshamer Baseball Stadium – Improvements.....	\$14,000,000
22	Cogeneration Warehouse.....	\$500,000
23	Steam Infrastructure Improvements	\$55,700,000
24	Electrical Infrastructure Improvements	\$29,530,000
25	Bell Tower Development – Phase I.....	\$10,000,000
26	Global Education & International Studies Center – Improvements.....	\$2,500,000
27		
28	The University of North Carolina at Charlotte	
29	Prospector Hall – Renovation – Phase II.....	\$4,000,000
30	Residence Halls – Phase IX.....	\$38,800,000
31		
32	The University of North Carolina at Greensboro	
33	Residence Hall – Acquisition	\$29,500,000
34		
35	The University of North Carolina at Wilmington	
36	Residence Halls – Improvements	\$4,900,000
37		
38	Western Carolina University	
39	Residence Hall – Renovation and Expansion.....	\$1,000,000
40		
41	Winston-Salem State University	
42	Residence Hall – Renovation	\$4,500,000

43 **SECTION 1.3.** The following capital improvements projects are authorized
44 by the Board of Governors as supplements to previously approved projects, and their

1 respective costs are authorized by this part to be constructed and financed as provided in
 2 Section 1.1 of this part, including by revenue bonds, by special obligation bonds as
 3 authorized in Section 1.5 of this part, or by both:

4

5 North Carolina State University

6 Residence Halls – Renovation – Supplement.....\$11,500,000

7 Thompson Theater – Renovation and Expansion – Supplement.....\$4,500,000

8

9 The University of North Carolina at Chapel Hill

10 Residence Halls – Improvements – Supplement\$2,500,000

11 Botanical Garden Visitor Education Center – Supplement.....\$5,000,000

12 Educational Foundation Office Building – Supplement\$12,000,000

13 Cobb Residence Hall – Renovation – Supplement.....\$5,116,000

14 Residence College – Phase II – Supplement\$8,000,000

15 Rizzo Center – Expansion – Supplement\$5,300,000

16

17 The University of North Carolina at Charlotte

18 Student Union – Supplement.....\$10,000,000

19

20 The University of North Carolina at Greensboro

21 Parking Deck Addition – Supplement.....\$1,000,000

22

23 The University of North Carolina at Pembroke

24 University Center Expansion – Supplement.....\$2,000,000

25

26 The University of North Carolina at Wilmington

27 University Union Building – Expansion and Renovation –

28 Supplement\$12,000,000

29

30 Western Carolina University

31 Dodson Cafeteria Replacement – Supplement\$12,250,000

32 New Student Recreation Center – Supplement\$6,200,000

33 **SECTION 1.4.** At the request of the Board of Governors of The University
 34 of North Carolina and upon determining that it is in the best interest of the State to do
 35 so, the Director of the Budget may authorize an increase or decrease in the cost of, or a
 36 change in the method of, funding the projects authorized by this part. In determining
 37 whether to authorize a change in cost or funding, the Director of the Budget may consult
 38 with the Joint Legislative Commission on Governmental Operations.

39 **SECTION 1.5.** Pursuant to G.S. 116D-26, the Board of Governors may
 40 issue, subject to the approval of the Director of the Budget, at one time or from time to
 41 time, special obligation bonds of the Board of Governors for the purpose of paying all
 42 or any part of the cost of acquiring, constructing, or providing for the projects
 43 authorized by Sections 1.2 and 1.3 of this part. The maximum principal amount of
 44 bonds to be issued shall not exceed the specified project costs in Sections 1.2 and 1.3 of

1 this part plus five percent (5%) of such amount to pay issuance expenses, fund reserve
2 funds, pay capitalized interest, and pay other related additional costs, plus any increase
3 in the specific project costs authorized by the Director of the Budget pursuant to Section
4 1.4 of this part.

5 **SECTION 1.6.** With respect to the University of North Carolina at Chapel
6 Hill's Research Resources Facility capital project, the institution may accomplish
7 construction and financing notwithstanding the requirement in G.S. 116D-22(5) as to
8 location at the institution.

9 **SECTION 1.7.** With respect to the forty-seven million five hundred
10 twenty-two thousand dollars (\$47,522,000) Major Infrastructure Improvements capital
11 project at the University of North Carolina at Chapel Hill that was previously approved
12 in S.L. 2005-324, the institution may accomplish a portion thereof by payment to Duke
13 Power Company LLC to acquire distribution capacity in improvements to be
14 constructed by Duke Power Company LLC to three electrical substations located on the
15 institution's property and by negotiating and executing any rights-of-way, easements,
16 leases, and any other required agreements with Duke Power Company LLC necessary
17 for the completion of the improvements, notwithstanding any other provisions of the
18 General Statutes governing such negotiation and execution of such rights-of-way,
19 easements, leases, or other required agreements therefor.

20 **SECTION 1.8.** With respect to the thirty million dollars (\$30,000,000)
21 Student Housing project at North Carolina Central University that was previously
22 approved in S.L. 2005-324, the institution may construct one or more new or purchase
23 one or more existing buildings to meet its need for student housing.

24 **PART II. REVISE UNIVERSITY SPECIAL INDEBTEDNESS**

25 **SECTION 2.1.** Section 1.1 of S.L. 2004-179, as amended by Section 30.3A
26 of S.L. 2005-276, reads as rewritten:

27 "SECTION 1.1. In accordance with G.S. 142-83, this section authorizes the
28 issuance or incurrence of special indebtedness in the following maximum aggregate
29 principal amounts to finance the costs of the following projects. The table below
30 provides the maximum principal amounts. The first column is the aggregate maximum
31 principal amount. The second column is the maximum portion of this amount that can
32 be issued or incurred before July 1, 2005. The State, with the prior approval of the State
33 Treasurer and the Council of State, as provided in Article 9 of Chapter 142 of the
34 General Statutes, is authorized to issue or incur special indebtedness in order to provide
35 funds to the State to be used, together with other available funds, to pay the cost of these
36 projects.
37

38 Aggregate	39 Maximum	40 Project
41 Maximum	42 before 7/1/05	
43 \$180,000,000	\$110,000,000	Acquiring, constructing, and equipping a new cancer rehabilitation and treatment center, a nearby physicians' office building, and a walkway between the two, all to be located at

1			the University of North Carolina Hospitals at
2			Chapel Hill.
3	60,000,000	30,000,000	Acquiring, constructing, and equipping the
4			North Carolina Cardiovascular Diseases
5			Institute at East Carolina University.
6	35,000,000	25,000,000	Acquiring, constructing, and equipping a
7			Bioinformatics Center at the University of
8			North Carolina at Charlotte.
9	28,000,000	25,000,000	Acquiring, constructing, and equipping a
10			stand-alone facility to house the new
11			Pharmacy School program to be located at
12			Elizabeth City State University, and interim
13			temporary facilities to house the program
14			during construction of the facility.
15	35,000,000	25,000,000	Acquiring, constructing, and equipping a
16			Center for Health Promotion and Partnerships
17			at the University of North Carolina at
18			Asheville.
19	10,000,000	10,000,000	Land acquisition, site preparation,
20			engineering, architectural, and other
21			consulting services, and construction for the
22			Southeastern North Carolina Nursing
23			Education and Research Center at Fayetteville
24			State University.
25	10,000,000	10,000,000	Land acquisition, site Site preparation, and
26			engineering, architectural, and other
27			consulting services for facilities for
28			development of these services, and the
29			<u>construction of a research building on the joint</u>
30			Millennial Campus of North Carolina
31			Agricultural and Technical State University
32			and the University of North Carolina at
33			Greensboro.
34	10,000,000	10,000,000	Land acquisition, site preparation, and
35			engineering, architectural, and other
36			consulting services for an Optometry School
37			facility services, <u>and construction of a Nursing</u>
38			<u>and Allied Health Building</u> at the University
39			of North Carolina at Pembroke.
40	10,000,000	10,000,000	To Western Carolina University for land
41			acquisition, site preparation, and engineering,
42			architectural, and other consulting services
43			<u>services, and construction of a building for</u>
44			Western Carolina University and the Mountain

Area Health Education Consortium for the North Carolina Center for Health and Aging to be operated as a consortium among Western Carolina University, the University of North Carolina at Asheville, and the Mountain Area Health Education Consortium.

10,000,000 10,000,000

~~Property acquisition in Piedmont Triad Research Park for Winston-Salem State University programming related to biotechnology education and research; and land~~Land acquisition, site preparation, and engineering, architectural, and other consulting ~~services~~services, and construction of a Center for Design Innovation in the Piedmont Triad Research Park to be operated jointly by Winston-Salem State University and the North Carolina School of the Arts.

TOTAL:

\$388,000,000 \$265,000,000"

PART III. REVISE UNIVERSITY GENERAL OBLIGATION INDEBTEDNESS

SECTION 3.1. Pursuant to Section 2(b) of S.L. 2000-3, the General

Assembly finds that it is in the best interest of the State to respond to current educational and research program requirements at North Carolina State University by reducing the scope of "Williams Hall Laboratory Building-Comprehensive Renovation." The unused funds from "Williams Hall Laboratory Building-Comprehensive Renovation" should be transferred to the following projects listed under the section entitled North Carolina State University: "Polk Hall Laboratory Building-Comprehensive Renovation," "1911 Classroom Building-Comprehensive Renovation," and "Park Shops-Comprehensive Renovation and Use Conversion for General Academic Use." Section 2(a) of S.L. 2000-3 is therefore amended in the portion under North Carolina State University by:

- (1) Reducing the portion to "Williams Hall Laboratory Building-Comprehensive Renovation" by six million four hundred forty-five thousand dollars (\$6,445,000) so that it reads six million four hundred twenty thousand five hundred dollars (\$6,420,500),
- (2) Increasing the portion to "Polk Hall Laboratory Building-Comprehensive Renovation" by one hundred one thousand three hundred sixty-two dollars (\$101,362) so that it reads fifteen million one hundred fifty-four thousand three hundred sixty-two dollars (\$15,154,362),
- (3) Increasing the portion to "1911 Classroom Building Comprehensive Renovation" by two million six hundred sixty-three thousand seven

1 hundred fifty-seven dollars (\$2,663,757) so that it reads nine million
2 six hundred thirty-five thousand seven hundred fifty-seven dollars
3 (\$9,635,757),

- 4 (4) Increasing the portion to "Park Shops – Comprehensive Renovation
5 and Use Conversion for General Academic Use" by three million six
6 hundred seventy-nine thousand eight hundred eighty-one dollars
7 (\$3,679,881) so that it reads nine million nine hundred ninety thousand
8 five hundred eighty-one dollars (\$9,990,581).

9 **SECTION 3.2.** Pursuant to Section 2(b) of S.L. 2000-3, the General
10 Assembly finds that it is in the best interest of the State to respond to current
11 educational and research program requirements at the University of North Carolina at
12 Chapel Hill by reducing the scope of "Caldwell and Howell Halls-Comprehensive
13 Renovation of Classrooms and Lecture Halls" and by reducing the scope of "Hill and
14 Davie Halls-Comprehensive Renovation of Classrooms and Lecture Halls." The unused
15 monies from "Caldwell and Howell Halls-Comprehensive Renovation of Classrooms
16 and Lecture Halls" should be transferred to "Hamilton Hall-Comprehensive Renovation
17 of Classrooms and Lecture Halls." The unused monies from "Hill and Davie
18 Halls-Comprehensive Renovation of Classrooms and Lecture Halls" should be
19 transferred to "Greenlaw Hall-Comprehensive Renovation of Classrooms and Lecture
20 Halls." Section 2(a) of S.L. 2000-3 is therefore amended in the portion under the
21 University of North Carolina at Chapel Hill by:

- 22 (1) Reducing the portion to "Caldwell and Howell Halls-Comprehensive
23 Renovation of Classrooms and Lecture Halls" by eight hundred
24 forty-five thousand two hundred forty-six dollars (\$845,246) so that it
25 reads eight hundred eighty-six thousand seven hundred fifty-four
26 dollars (\$886,754),
27 (2) Reducing the portion to "Hill and Davie Hall-Comprehensive
28 Renovation of Classrooms and Lecture Halls" by one million three
29 hundred twenty-four thousand seven hundred twenty-nine dollars
30 (\$1,324,729) so that it reads six hundred twenty-four thousand two
31 hundred seventy-one dollars (\$624,271),
32 (3) Increasing the portion to "Hamilton Hall-Comprehensive Renovation
33 of Classrooms and Lecture Halls" by eight hundred forty-five thousand
34 two hundred forty-six dollars (\$845,246) so that it reads two million
35 three hundred eighty-four thousand two hundred forty-six dollars
36 (\$2,384,246),
37 (4) Increasing the portion to "Greenlaw Hall-Comprehensive Renovation
38 of Classrooms and Lecture Halls" by one million three hundred
39 twenty-four thousand seven hundred twenty-nine dollars (\$1,324,729)
40 so that it reads three million one hundred forty-nine thousand seven
41 hundred twenty-nine dollars (\$3,149,729).

42 **SECTION 3.3.** Pursuant to Section 2(b) of S.L. 2000-3, the General
43 Assembly finds that it is in the best interest of the State to respond to current
44 educational and research program requirements at Western Carolina University by

1 reducing the scope of "Forsyth Classroom and Computer Labs Renovation," and by
2 transferring the unused funds to "Stillwell Lab Building-Comprehensive Renovation."
3 Section 2(a) of S.L. 2000-3 is therefore amended in the portion under Western Carolina
4 University by:

5 (1) Reducing the portion to "Forsyth Classroom and Computer Labs
6 Renovation" by three million two hundred thousand dollars
7 (\$3,200,000) so that it reads three million eight hundred sixty-four
8 thousand dollars (\$3,864,000),

9 (2) Increasing the portion to "Stillwell Lab Building-Comprehensive
10 Renovation" by three million two hundred thousand dollars
11 (\$3,200,000) so that it reads eighteen million two hundred fifty-seven
12 thousand five hundred dollars (\$18,257,500).

13 **SECTION 3.4.** Nothing in this part is intended to supersede any other
14 requirement of law or policy for approval of the substituted capital improvement
15 projects.
16

17 **PART IV. EFFECTIVE DATE**

18 **SECTION 4.1.** This act is effective when it becomes law.