

1 **REVENUE BOND AND CAPITAL FACILITIES**

2 **AUTHORIZATIONS**

3 2010 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Stephen D. Clark**

6 Senate Sponsor: Curtis S. Bramble

7

8 **LONG TITLE**

9 **General Description:**

10 This bill authorizes certain state agencies and higher education institutions to issue
11 revenue bonds, to build capital facilities using agency, institutional, or donated funds,
12 to sell, lease, or dispose of property, or to use donations to prepare preliminary
13 proposals.

14 **Highlighted Provisions:**

15 This bill:

- 16 ▶ authorizes the issuance of revenue bonds by the State Board of Regents;
- 17 ▶ authorizes other capital facility design and construction to be funded from agency,
18 institutional, or donated funds;
- 19 ▶ authorizes the University of Utah to use donations to prepare preliminary plans for
20 a dental school, subject to certain restrictions; and
- 21 ▶ authorizes the sale, lease, or disposal of certain state real property and certain
22 interests in real property.

23 **Monies Appropriated in this Bill:**

24 None

25 **Other Special Clauses:**

26 None

27 **Utah Code Sections Affected:**

28 ENACTS:

29 **63B-19-101**, Utah Code Annotated 1953

- 30 **63B-19-201**, Utah Code Annotated 1953
- 31 **63B-19-301**, Utah Code Annotated 1953
- 32 **63B-19-401**, Utah Code Annotated 1953



34 *Be it enacted by the Legislature of the state of Utah:*

35 Section 1. Section **63B-19-101** is enacted to read:

36 **Part 1. 2010 Revenue Bond Authorizations**

37 **63B-19-101. Revenue bond authorizations -- Board of Regents.**

38 (1) The Legislature intends that:

39 (a) the Board of Regents, on behalf of Weber State University, may issue, sell, and
40 deliver revenue bonds or other evidences of indebtedness of Weber State University to borrow
41 money on the credit, revenues, and reserves of the university, other than appropriations of the
42 Legislature, to finance the cost of demolition, replacement, and construction of student
43 housing on the Ogden campus;

44 (b) Weber State University use student housing rental fees and parking fees as the
45 primary revenue sources for repayment of any obligation created under authority of this
46 section;

47 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
48 this section is \$15,000,000, together with other amounts necessary to pay costs of issuance,
49 pay capitalized interest, and fund any debt service reserve requirements;

50 (d) the university may plan, design, and construct the Ogden campus housing project
51 subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
52 Facilities Construction and Management; and

53 (e) the university may not request state funds for operation and maintenance costs or
54 capital improvements.

55 (2) The Legislature intends that:

56 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
57 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow

58 money on the credit, revenues, and reserves of the university, other than appropriations of the
59 Legislature, to finance the cost of purchasing the Ambassador Building from Salt Lake
60 County;

61 (b) the University of Utah use clinical revenues and other institutional funds as the
62 primary revenue source for repayment of any obligation created under authority of this section;

63 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
64 this section is \$12,000,000, together with other amounts necessary to pay costs of issuance,
65 pay capitalized interest, and fund any debt service reserve requirements; and

66 (d) the university may not request state funds for operation and maintenance costs or
67 capital improvements.

68 (3) The Legislature intends that:

69 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
70 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
71 money on the credit, revenues, and reserves of the university, other than appropriations of the
72 Legislature, to finance the cost of purchasing the Orthopaedics Building from the Utah
73 Orthopaedic Foundation;

74 (b) the University of Utah use clinical revenues and other institutional funds as the
75 primary revenue sources for repayment of any obligation created under authority of this
76 section;

77 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
78 this section is \$25,000,000, together with other amounts necessary to pay costs of issuance,
79 pay capitalized interest, and fund any debt service reserve requirements; and

80 (d) the university may not request state funds for operation and maintenance costs or
81 capital improvements.

82 (4) The Legislature intends that:

83 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
84 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
85 money on the credit, revenues, and reserves of the university, other than appropriations of the

86 Legislature, to finance the cost of constructing an expansion of the University Guest House;

87 (b) the University of Utah use room rental, meeting room rental, and the sale of
88 ancillary services as the primary revenue sources for repayment of any obligation created
89 under authority of this section;

90 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
91 this section is \$10,000,000, together with other amounts necessary to pay costs of issuance,
92 pay capitalized interest, and fund any debt service reserve requirements;

93 (d) the university may plan, design, and construct the expansion of the University
94 Guest House project subject to the requirements of Title 63A, Chapter 5, State Building Board
95 - Division of Facilities Construction and Management; and

96 (e) the university may not request state funds for operation and maintenance costs or
97 capital improvements.

98 (5) The Legislature intends that:

99 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
100 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
101 money on the credit, revenues, and reserves of the university, other than appropriations of the
102 Legislature, to finance the cost of constructing an Ambulatory Care Complex;

103 (b) the University of Utah use clinical revenues and other institutional funds as the
104 primary revenue sources for repayment of any obligation created under authority of this
105 section;

106 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
107 this section is \$119,541,000, together with other amounts necessary to pay costs of issuance,
108 pay capitalized interest, and fund any debt service reserve requirements;

109 (d) the university may plan, design, and construct the Ambulatory Care Complex
110 project subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
111 Facilities Construction and Management; and

112 (e) the university may not request state funds for operation and maintenance costs or
113 capital improvements.

114 (6) The Legislature intends that:

115 (a) the Board of Regents, on behalf of Southern Utah University, may issue, sell, and
116 deliver revenue bonds or other evidences of indebtedness of Southern Utah University to
117 borrow money on the credit, revenues, and reserves of the university, other than appropriations
118 of the Legislature, to finance the cost of constructing the Southern Utah Museum of Arts in
119 conjunction with other funds authorized in Subsection 63B-19-201(1);

120 (b) Southern Utah University use student fees as the primary revenue sources for
121 repayment of any obligation created under authority of this section;

122 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
123 this section is \$2,500,000, together with other amounts necessary to pay costs of issuance, pay
124 capitalized interest, and fund any debt service reserve requirements;

125 (d) the university may plan, design, and construct the Southern Utah Museum of Arts
126 project subject to the requirements of Title 63A, Chapter 5, State Building Board - Division of
127 Facilities Construction and Management; and

128 (e) the university may not request state funds for operation and maintenance costs or
129 capital improvements.

130 Section 2. Section **63B-19-201** is enacted to read:

131 **Part 2. 2010 Capital Facility Design and Construction Authorizations**
132 **63B-19-201. Authorizations to design and construct capital facilities using**
133 **institutional or agency funds.**

134 (1) The Legislature intends that:

135 (a) Southern Utah University may, subject to the requirements of Title 63A, Chapter 5,
136 State Building Board - Division of Facilities Construction and Management, use \$10,000,000
137 in donations and the revenue bond authorized in Subsection 63B-19-101(6) to plan, design,
138 and construct a Southern Utah Museum of Arts, with 28,000 new square feet;

139 (b) no state funds be used for any portion of this project; and

140 (c) the university may not request state funds for operation and maintenance costs or
141 capital improvements.

142 (2) The Legislature intends that:

143 (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5,
144 State Building Board - Division of Facilities Construction and Management, use \$17,878,000
145 in donations, federal funds, and institutional funds to plan, design, and construct an addition
146 to the Henry Eyring Building, with 40,915 new square feet;

147 (b) no state funds be used for any portion of this project; and

148 (c) the university may not request state funds for operation and maintenance costs or
149 capital improvements.

150 (3) The Legislature intends that:

151 (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5,
152 State Building Board - Division of Facilities Construction and Management, use \$3,000,000
153 in donations to plan, design, and construct a Botanical Center classroom building, with 7,900
154 new square feet;

155 (b) no state funds be used for any portion of this project; and

156 (c) the university may not request state funds for operation and maintenance costs or
157 capital improvements.

158 (4) The Legislature intends that:

159 (a) the Division of Services for the Blind and Visually Impaired in the Utah State
160 Office of Rehabilitation may, subject to the requirements of Title 63A, Chapter 5, State
161 Building Board - Division of Facilities Construction and Management, use \$1,497,000 in
162 federal grants to plan, design, and construct a residential facility for the blind, with 8,000 new
163 square feet;

164 (b) no state funds be used for any portion of this project; and

165 (c) the division may not request state funds for operation and maintenance costs or
166 capital improvements.

167 (5) The Legislature intends that:

168 (a) the Department of Public Safety may, subject to the requirements of Title 63A,
169 Chapter 5, State Building Board - Division of Facilities Construction and Management, use

170 \$3,294,000 of nonlapsing balances within the driver license line item in the Department of
171 Public Safety budget in fiscal year 2010 to plan, design, and construct an Ogden driver license
172 building with 10,500 new square feet;

173 (b) no state funds be used for any portion of this project; and

174 (c) the department may not request state funds for operation and maintenance costs or
175 capital improvements.

176 (6) The Legislature intends that:

177 (a) the University of Utah may use donations to prepare preliminary plans for a dental
178 school building;

179 (b) no state funds be used for any portion of the planning; and

180 (c) the University of Utah may not design or construct a dental school building unless
181 and until the Legislature authorizes:

182 (i) the design and construction of a dental school building;

183 (ii) the University to pursue the establishment of a dental school program; and

184 (iii) the appropriation of funds at a level sufficient to fund a dental school program at
185 the University of Utah.

186 Section 3. Section **63B-19-301** is enacted to read:

187 **Part 3. 2010 Property Authorizations**

188 **63B-19-301. Authorizations to sell property.**

189 The Legislature intends that the Division of Facilities Construction and Management
190 and any other state agency with title to property identified as Emery County Tax Parcel
191 No.1-156-6 are authorized to sell a perpetual easement to Rocky Mountain Power that is
192 approximately 60 feet in width on property at Green River that was subject to cleanup of
193 radiation contamination by the United States Department of Energy and was acquired by the
194 state of Utah, the purchase of which was funded 90% by the federal government pursuant to
195 42 U.S.C. Sec. 7914, subject to the following:

196 (1) The easement shall identify the conditions of the sale and require the payment of
197 \$5,000 as consideration, of which 90% is to be refunded to the federal government.

198 (2) Rocky Mountain Power shall be required to comply with all applicable
199 environmental laws and requirements in regard to the easement.

200 Section 4. Section **63B-19-401** is enacted to read:

201 **Part 4. 2010 Lease-Purchase Authorizations**

202 **63B-19-401. Lease-purchase authorizations.**

203 The Legislature intends that the courts may use existing funds to enter into a
204 lease-purchase agreement for the Spanish Fork Courthouse at no additional cost to the state.