

ARTICLE 4 AS AMENDED

RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS

SECTION 1. This article shall serve as the joint resolutions required pursuant to Rhode Island General Law § 35-18-1, et seq.

SECTION 2. Section 3, Article 4 of Chapter 162 of the 2021 Public Laws is hereby amended to read as follows:

Section 3. University of Rhode Island – Combined Health & Counseling Center – Auxiliary Enterprise

WHEREAS, The University of Rhode Island board of trustees and the university have a long-standing commitment to the health and wellness of their students; and

WHEREAS, The university has a desire to create a one-stop center to address the physical, emotional, and mental health of its students; and

WHEREAS, The University of Rhode Island board of trustees and the University of Rhode Island are proposing a project which involves the construction of a new Combined Health & Counseling Center to meet the ongoing and growing health needs of their students; and

WHEREAS, The university engaged a qualified architectural firm, which has completed ~~an advanced planning study~~ schematic design for this new building; and

WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the general assembly to provide its consent to the issuance or incurring by the state of Rhode Island and other public agencies of certain obligations including financing guarantees or other agreements; and

WHEREAS, The design and construction associated with this work of an auxiliary enterprise building will be financed through the Rhode Island health and educational building corporation ~~(RIHEBC)~~ revenue bonds, with an expected term of thirty (30) years; and

WHEREAS, The total project costs associated with completion of the project through the proposed financing method is ~~twenty-nine million dollars (\$29,000,000)~~ thirty-three million six hundred thousand dollars (\$33,600,000), including the cost of issuance. Debt service payments would be supported by revenues derived from student fees associated with the respective auxiliary enterprises of the University of Rhode Island occupying said facility. Total debt service on the bonds is not expected to exceed ~~sixty-three million three hundred thousand dollars (\$63,300,000)~~

1 seventy-eight million dollars (\$78,000,000) in the aggregate based on an average interest rate of
2 six and one half ~~(6%)~~ percent (6.5%); now, therefore be it

3 RESOLVED, That this general assembly hereby approves financing in an amount not to
4 exceed ~~twenty-nine million dollars (\$29,000,000)~~ thirty-three million six hundred thousand dollars
5 (\$33,600,000) for the combined health & counseling center project for the auxiliary enterprise
6 building on the University of Rhode Island campus; and be it further

7 RESOLVED, That, this joint resolution shall take effect upon passage.

8 SECTION 3. Section 2, Article 4 of Chapter 162 of the 2021 Public Laws is hereby
9 amended to read as follows:

10 Section 2. University of Rhode Island – Memorial Union – Auxiliary Enterprise

11 WHEREAS, The University of Rhode Island board of trustees and the university have a
12 long-standing commitment to the overall development of their students; and

13 WHEREAS, The university believes that the memorial union celebrates life at URI and
14 acts as the nexus for campus community, student engagement, and leadership. It is an intersection
15 connecting the academic core of campus and the campus's socially active residential community.
16 The student union at the university is an integral part of the educational ecosystem that shapes the
17 student experience; and

18 WHEREAS, The University of Rhode Island board of trustees and the University of Rhode
19 Island are proposing a project that involves the renovation and expansion of the memorial union to
20 meet the ongoing and growing needs of their students; and

21 WHEREAS, The university engaged a qualified architectural firm, which has completed
22 an advanced planning study for this renovation; and

23 WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the
24 general assembly to provide its consent to the issuance or incurring by the state of Rhode Island
25 and other public agencies of certain obligations including financing guarantees or other agreements;
26 and

27 WHEREAS, The design and construction associated with this work of an auxiliary
28 enterprise building will be financed through the Rhode Island health and educational building
29 corporation ~~(RIHEBC)~~ revenue bonds, with an expected term of thirty (30) years; and

30 WHEREAS, The total project costs associated with completion of the project through the
31 proposed financing method is ~~fifty-seven million six hundred thousand dollars (\$57,600,000);~~ one
32 hundred eighteen million dollars (\$118,000,000), including the cost of issuance. Debt service
33 payments would be supported by revenues derived from student fees and retail lease payments
34 associated with the respective auxiliary enterprises of the University of Rhode Island occupying

1 said facility. Total debt service on the bonds is not expected to exceed ~~one hundred twenty five~~
2 ~~million six hundred thousand dollars (\$125,600,000)~~ two hundred seventy-two million dollars
3 (\$272,000,000) in the aggregate based on an average interest rate of six and one half ~~(6%)~~ percent
4 (6.5%); now, therefore be it

5 RESOLVED, That this General Assembly hereby approves financing in an amount not to
6 exceed ~~is fifty seven million six hundred thousand dollars (\$57,600,000)~~ one hundred eighteen
7 million dollars (\$118,000,000) for the Memorial Union project for the auxiliary enterprise building
8 on the University of Rhode Island campus; and be it further

9 RESOLVED, That this joint resolution shall take effect upon passage.

10 SECTION 4. *Confined Aquatic Dredged Material Disposal Cells.*

11 WHEREAS, Over the past several years the Army Corps of Engineers has approached the
12 Coastal Resources Management Council to act as the local sponsor to the federal action of
13 maintaining the depths of the Providence River and Harbor Shipping Channel; and

14 WHEREAS, The Providence River and Shipping Channel was last maintained in 2003;
15 and

16 WHEREAS, The project will include dredging and removal of sediments not suitable for
17 ocean disposal, and thus will require the construction of a new Confined Aquatic Disposal (CAD)
18 Cell to dispose and sequester those sediments; and

19 WHEREAS, CAD cells are constructed in aquatic environments to reduce the
20 environmental risk from sediments not suitable for ocean disposal by storing these sediments in a
21 depression in the bottom of the aquatic system; and

22 WHEREAS, CAD cells offer a major economic value, as a significant cost of disposing
23 dredged materials is in the transportation of the dredged material to a disposal location; and

24 WHEREAS, Having CAD cells located in the same general area from a dredging operation
25 saves local port operators millions of dollars over the 20-year life of those cells; and

26 WHEREAS, The Coastal Resources Management Council seeks to build additional
27 capacity in the CAD Cells beyond that required only for this specific project, in order to account
28 for the many port, maritime, and marina and boatyard facilities that also have the need to dredge
29 material at their facilities, which may not be suitable for ocean disposal, thereby saving these
30 entities significant cost, in both sediment testing and transportation of the material to other
31 locations, due to the fact that the existing CAD cells in the river have reached their useful design
32 life; and

33 WHEREAS, With the approval by the voters of the 2016 Rhode Island Port Infrastructure
34 Bond referendum, the need to maintain the viability of port and maritime operations, the state's

1 marine trades industry, and the increase economic value of ProvPort, increased disposal capacities
2 from new CAD cells are needed; and

3 WHEREAS, The Army Corps of Engineers expects to begin maintenance of the
4 Providence River and Harbor Shipping Channel in the fall of 2027, the total cost share of the non-
5 federal sponsor is required by August 2026; and

6 WHEREAS, The state share associated with this project is estimated to be thirty five
7 million dollars (\$35.0 million), with six hundred and twenty thousand dollars (\$620,000) derived
8 from the Coastal Resources Management Council Dredge Fund, financing from the issuance of
9 debt as described herein, and the remainder from other sources of capital funds. The total financing
10 obligation of the State of Rhode Island would be approximately twenty-three million dollars (\$23.0
11 million), with twenty-two million eight hundred thousand dollars (\$22.8 million) deposited in the
12 project fund and two hundred thousand dollars (\$200,000) allocated to pay the associated costs of
13 financing. Total payments on the State's obligation over twenty (20) years on the twenty-three
14 million dollars (\$23.0 million) issuance are projected to be thirty-six million nine hundred thousand
15 dollars (\$36.9 million) assuming an average interest rate of five percent (5.0%). A minimum of
16 eleven million and six hundred thousand dollars (\$11.6 million) of the total principal and interest
17 payments is expected to be financed from an increase in fees charged to marine operators to deposit
18 their dredged materials into CAD cells, with general revenue appropriations used to supplement
19 fee revenues. General revenue appropriations shall finance principal and interest payments in any
20 fiscal year that fee revenues are insufficient; and

21 RESOLVED, That this General Assembly hereby approves financing in an amount not to
22 exceed twenty-three million dollars (\$23.0 million) for the provision of funds for the Confined
23 Aquatic Disposal Cells project, including two hundred thousand dollars (\$200,000) to pay costs of
24 financing; and be it further

25 RESOLVED, That this joint resolution shall take effect upon passage.

26 SECTION 5. This article shall take effect upon passage.