

March 30, 2012

ITEM 154-2001-C0312**Amendment of Previously Approved Authorization to Execute an Energy Performance Contract for Auxiliaries Facilities- MSU (Bozeman Campus)**

THAT

The Board of Regents amends ITEM 154-2005-R0112 as described below.

EXPLANATION

The original item authorized MSU to proceed with an Energy Performance Contract to execute projects in various Auxiliaries Facilities for a project total of \$9.1 million and to fund a portion of the project with a loan of up to \$4.8 million from the Montana Board of Investments.

The Board of Investments has requested an amendment to the language of the original authorization of the loan to reflect the existing INTERCAP Program Agreement (master loan agreement) between the Board of Regents and the Board of Investments. The amendment to the original authorization is indicated below, as a revision to Section 6 of the original ITEM 154-2005-R0112.

This Regents Item authorizes MSU to finalize an Energy Performance Contract for up to \$9.1 million on projects with energy conservation and safety components and authorizes MSU to negotiate the financial agreements, with a term of no more than 15 years, as necessary to finance up to \$4.8 million of the work. The borrowed funds will be secured through the Board of Investments (BOI) InterCap Loan Program and repaid with Net Pledged Revenues, in excess of current debt requirements, in accordance with the INTERCAP Program Agreement dated January 2, 2007 by and between BOI and the BOR. Net Pledged Revenues include, but are not limited to, non-state funds from Auxiliary Operations Revenue.

ATTACHMENTS

n/a