

The Regents of the University of California

**COMMITTEE ON EDUCATIONAL POLICY
COMMITTEE ON FINANCE**

January 15, 2003

The Committee on Educational Policy and the Committee on Finance met jointly on the above date at UCSF-Laurel Heights, San Francisco.

Members present: ***Representing the Committee on Educational Policy:*** Regents Atkinson, Bustamante, Connerly, Johnson, Pattiz, and Sainick; Advisory members Murray and Binion

Representing the Committee on Finance: Regents Atkinson, Connerly, Hopkinson, Lee, Ligot-Gordon, Montoya, and Preuss; Advisory members Murray and Pitts

In attendance: Regent Davies, Secretary Trivette, General Counsel Holst, Treasurer Russ, Provost King, Senior Vice Presidents Darling and Mullinix, Vice Presidents Broome, Doby, Drake, and Gomes, Assistant Vice President Obley representing Vice President Hershman, Chancellors Berdahl, Bishop, Carnesale, Ciceron, Córdova, Dynes, Greenwood, Tomlinson-Keasey, Vanderhoef, and Yang, Laboratory Director Anastasio, Interim Laboratory Director Nanos, and Recording Secretary Nietfeld

The meeting convened at 10:45 a.m. with Committee on Finance Chair Hopkinson presiding.

1. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

 Upon motion duly made and seconded, the minutes of the meeting of November 15, 2001 were approved.

2. **DELEGATION OF AUTHORITY TO THE PRESIDENT TO ACT IN CONNECTION WITH AN APPLICATION TO THE NATIONAL INSTITUTES OF HEALTH FOR THE ESTABLISHMENT OF A NATIONAL BIOCONTAINMENT LABORATORY, DAVIS CAMPUS**

 The President recommended that The Regents:

- A. Authorize the filing of an application to the National Institutes of Health/National Institute of Allergy and Infectious Diseases (NIH/NIAID) for the establishment of a National Biocontainment Laboratory on the Davis campus.
- B. Delegate authority to the President to submit and promote the application, provide such additional information to the NIH/NIAID as may be required, and otherwise act in connection with the application.

The Committees were informed that the Davis campus proposes to compete for a federal contract to construct a National Biocontainment Laboratory, the Western National Center for Biodefense and Emerging Diseases (WNCBED). The application for this construction contract is due on February 10, 2003. The federal call for proposals requires that applicants provide “a resolution, motion or similar action...duly adopted or passed as an official act of the applicant’s governing body, authorizing the filing of the application, including all understanding and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.”

The Western National Center for Biodefense and Emerging Diseases would be a critical element of evolving national, state, and regional efforts to address biodefense and emerging infectious diseases by filling gaps in public health infrastructure, enhancing emergency preparedness, and improving the training of medical professionals. Moreover, this laboratory would provide the facilities necessary for the University and its research partners from the public and private sectors to accelerate development of a new generation of vaccines, therapeutics, and diagnostics for use against infectious disease threats, whether these diseases occur naturally or are intentionally introduced by bioterrorists. The facility would also support the establishment of a Regional Center for Excellence in Biodefense and Emerging Diseases.

The laboratory would serve as a research facility for study of the most serious infectious disease agents, as a diagnostic facility to support the California Department of Health Services in a public service role, and as an advanced training facility. The research program would focus on new, emerging, and re-emerging diseases that pose the greatest threats to the citizens of California and the western region of the United States, and on threats posed by bioterrorism and agro-bioterrorism. This research would be concentrated in microbiology, virology, immunology, pathogen identification methodology (a specialty of the staff of Lawrence Livermore National Laboratory), diagnostic medicine, clinical medicine, vaccine development, epidemiology, and other infectious disease sciences.

It is envisioned that when circumstances dictate, the facility would operate as the laboratory base for the prevention, control, and intervention actions of state and federal agencies concerned with infectious disease outbreaks and that this effort would be managed through the California Department of Health Services.

The facility would also support an advanced training program that would focus on countering the threats posed by bioterrorism and agro-bioterrorism. The initial training activities would be in laboratory sciences, especially advanced molecular diagnostics and microbial and virological detection and identification technologies. Initial activities would also include continuing education, aimed at bringing professionals up to date on advanced methodologies and data interpretation.

The facilities required to support the National Biocontainment Laboratory programs would be designed and constructed to meet the missions of basic research, enabling diagnostics and allowing for translational research to provide vaccine and therapeutics for infectious agents and their disease vectors. The facility would consist of four components: Containment Facilities, Research Facilities, Administrative Support space, and Containment Clinical Facilities, which would be housed in a separate facility at the UC Davis Medical Center in Sacramento. The total amount of space to be included in the National Biocontainment Laboratory is 131,000 assignable square feet, which equates to 275,000 gross square feet. The total cost of the facility is estimated at \$200 million, which includes all construction-related costs.

The campus is considering sites near the west campus site of the California National Primate Research Center, as well as sites closer to the main facilities in the campus Health Sciences District, where the School of Medicine, School of Veterinary Medicine, and the veterinary diagnostic laboratory are located. The campus has scheduled a trip to a similar facility in Winnipeg, Canada, for early January and is inviting community leaders to participate. After learning more about the Canadian facility, the campus will identify a single site for use in the grant application and the campus Long Range Development Plan.

Financial Considerations

Capital Funding. The President proposes to seek help from the State in meeting the required federal match for this \$200 million construction project. If this proposal is successful, the federal government will provide \$150 million in construction funds and require a match of \$50 million. The University proposes to fund up to \$25 million of the match through funds from additional research that will be generated in this facility by investigators from UC Davis and other UC campuses. In recognition of the contribution the facility would make to statewide public health efforts, the University proposes to explore with the State various means, including the sale of lease revenue bonds, by which the State could provide the remaining \$25 million. At this time, the campus seeks permission to include this as a funding proposal in the NIH/NIAID contract application. If the application is successful, the campus will return to The Regents prior to accepting the contract for authority to commit \$25 million in matching funds.

Operations Funding. Based on statements in the NIH/NIAID request-for-proposal document, the University expects that if construction funding for this facility is awarded, the University will be eligible to receive a federal grant to pay the laboratory's basic operating expenses. The NIH/NIAID would also allow the University to develop a fee structure to fund certain uses of the facility.

Timing

It is anticipated that the NIH/NIAID will evaluate proposals and conduct site visits in the spring and summer of 2003 and announce awards in fall 2003. Should UC Davis be successful in its application, the Chancellor will return to The Regents to propose a specific financial plan prior to accepting the award.

Upon motion duly made and seconded, the Committees approved the President's recommendation and voted to present it to the Board.

3. **DELEGATION OF AUTHORITY TO THE PRESIDENT TO INDEMNIFY DONORS**

The Committees were informed that this item had been withdrawn.

The meeting adjourned at 10:50 a.m.

Attest:

Secretary