UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

Wednesday, July 8, 2009
11:15 – 11:45 a.m.

600 McNamara Alumni Center, West Committee Room

Committee Members
Steven Hunter, Chair
Dallas Bohnsack, Vice Chair
Clyde Allen
Anthony Baraga
Venora Hung
Dean Johnson

Student Representatives
Jennifer McCabe
Aditya Srinath

AGENDA

1. Board of Regents Policy: Eminent Domain - Action - M. Rotenberg (pp. 2-3)

2. Music Education Building Deconstruction and Demolition: Resolution - Action - K. O’Brien/M. Berthelsen/O. Miller (pp. 4-11)

   A. NOvA Phase II - Far Detector Building


6. Information Items - K. O’Brien (pp. 21-22)
Facilities Committee

July 8, 2009

Agenda Item: Board of Regents Policy: Eminent Domain

☐ review  ☐ review/action  ☒ action  ☐ discussion

Presenters: General Counsel Mark Rotenberg

Purpose:

☒ policy  ☐ background/context  ☐ oversight  ☐ strategic positioning

To review proposed changes to Board of Regents Policy: Eminent Domain

Outline of Key Points/Policy Issues:

Amendments are proposed to Board of Regents Policy: Eminent Domain, as part of the Board Office’s ongoing policy review process. The proposed amendments are to replace references to specifically cited law and named Board policy with general references to “applicable law” and “Board of Regents policies.” This avoids possible inconsistencies in the event of changes to legal citations or policy names in the future.

Background Information:

Board of Regents Policy: Eminent Domain was first adopted in 1988 and last amended in March 2005. The Facilities Committee reviewed the proposed amendments at a meeting on June 11, 2009.

President's Recommendation for Action:

The President recommends adoption of the proposed amendment to Board of Regents Policy: Eminent Domain.
EMINENT DOMAIN

In exercise of its power of eminent domain, the Board of Regents (Board) shall comply with applicable law Minnesota Statutes, Chapter 117. Before an eminent domain proceeding is initiated, the Board shall authorize the action and, by appropriate resolution, determine public purpose and necessity for the acquisition of the land. Decisions with respect to settlement and with respect to payment of or appeal from the award of the commissioners shall be made consistent with Board of Regents policies Policy: Legal Claims and Settlements.
Agenda Item:  Music Education Building Deconstruction and Demolition: Resolution

☐ review  ☐ review/action  ☑ action  ☐ discussion

Presenters:  Vice President Kathleen O’Brien
Associate Vice President Mike Berthelsen
Director of Planning and Architecture Orlyn Miller

Purpose:

☐ policy  ☐ background/context  ☑ oversight  ☐ strategic positioning

In accordance with Board of Regents Policies: Reservation and Delegation of Authority and Historic Preservation, the purpose of this discussion is to review a Resolution directing the deconstruction and demolition the Music Education Building located on the Twin Cities Campus.

Outline of Key Points/Policy Issues:

The building, constructed in 1888, was vacated in 1996 and placed in a maintenance lay-away state due to multiple fire and life safety code deficiencies and inaccessibility for mobility impaired individuals. Throughout the building’s lay-away status, the University has consulted with the Minnesota State Historical Preservation Office in developing and implementing all required preservation research and treatments and reuse analysis. The University has explored several adaptive use options over the past 10 years, but because of the building’s lack of physical accessibility, fire and life safety code deficiencies, and small size, finding a financially feasible appropriate program fit has been difficult. In addition to looking for reuse opportunities within the institution; the University has worked closely with local external property management and property developers to find other non-university uses. No financially feasible alternative reuse for the building has been identified. The reuse analysis process included the following:

- Interviews with knowledgeable individuals familiar with the building;
- Meetings with local governmental authorities including the City of Minneapolis local council members, planning and zoning staff, and the Minneapolis Historic Preservation Commission;
A community Open Forum – invited groups included the University of Minnesota (Student Association, Capital Planning and Project Management, Facilities Management), Neighborhood Groups, City of Minneapolis, Minnesota Historical Society, Minnesota State Historic Preservation Office (SHPO), Preservation Alliance of Minnesota, local media and other interested groups; and

Follow-up interviews with interested individuals and others who wanted to become a part of the process.

The final draft of the Music Education Building Reuse Study was made available to previously contacted or interested organizations and community groups.

The proposed resolution directing the deconstruction and demolition of the Music Education Building will be presented at the Facilities Committee meeting. Attached are the proposed resolution, the project data sheet which addresses the basis for request, project scope, cost estimate, funding, and schedule, and a map locating the building on campus.

**Background Information:**

The Music Education Building is identified for potential demolition in the Twin Cities Campus Master Plan. The Facilities Committee reviewed this resolution at their June 2009 meeting.

**President's Recommendation for Action:**

The President recommends approval of the deconstruction and demolition plans and of the appropriate administrative officers proceeding with the award of contracts for the development of deconstruction and demolition document and the deconstruction and demolition of the Music Education Building located on the Twin Cities Campus.
Music Education Building Deconstruction and Demolition  
East Bank Campus  
Project No. 01-024-06-1829

1. Basis for Request:

The historic Music Education Building (former YMCA) constructed in 1888 is located at 147 Pillsbury Drive Southeast in the historic Old Campus (Knoll) District of the Minneapolis East Bank Campus. Since 1996, the building has been vacant, and has been placed in mothball (lay-away) condition to Secretary of the Interior Standards. Throughout the building’s lay-away status the University has consulted with the Minnesota State Historic Preservation Office in developing and implementing all required preservation research and treatments and has invested approximately $357,000 to “maintain” the building, conduct studies and address environmental issues.

Because of the building’s lack of physical accessibility, multiple fire and life safety code deficiencies and small size – about 6,000 gross square feet and at best about 4,700 assignable square feet – finding a financially feasible appropriate program fit has been difficult, although the University has explored several adaptive use options over the past 10 years. The building needs extensive restoration work that falls in the neighborhood of $2,900,000 or $483 per gross square foot and would vary depending on the proposed reuse.

University has continued research to identify potential uses for this small building. The potential uses not listed in any order of preference included:

- University classroom or seminar space
- University departmental or student organization office space
- Commercial professional office space
- A Center for Disability Services
- A student commuter lounge
- A student hospitality house
- University guest or VIP alumni lodge
- Scholars housing
- A new hotel on the Peik Gym site that connects to and incorporates the Music Education Building
- Condominiums or time shares focusing on parents of students
- Rental housing
- Commercial bed and breakfast or small hotel
- Ecumenical religious center
- Center for spirituality and healing
- Retreat Center
- Food Service (unique restaurant, coffee/snack shop, etc.)
- Utility infrastructure (electrical substation, chiller plant, etc.)
- Storage
- Continued lay-away state
- Moving the building
- Deconstruction / demolition of the building

In addition to looking for reuse opportunities within the institution; the University has worked closely with local external property management and property developers to find other non-university uses. In each case, building accessibility has required installation of an elevator,
and building codes have required a second exit stair. Financial investments required for these and other required improvements have been deemed excessive by both the University and by private entities who have studied reuse of the property.

The process conducted to analyze the reuse or continued use of this building included the following:
- Interviews with knowledgeable individuals familiar with the Music Education Building.
- Meetings with local governing authorities including the City of Minneapolis local council members, planning and zoning staff, and the Historic Preservation Commission.
- A Community Open Forum – invited groups included the University of Minnesota (Student Association, Capital Planning and Project Management, Facilities Management), Neighborhood Groups, City of Minneapolis, Minnesota Historical Society, Minnesota State Historic Preservation Office (SHPO), Preservation Alliance of Minnesota (PAM), local media and other interested individuals.
- Follow-up interviews with interested individual and others who wanted to become a part of the process.
- The final draft of the Music Education Building Reuse Study was made available to previously contacted or interested organizations and community groups.

A brief history of the building:
- 1888 Student Christian Association Building (SCA) is dedicated on June 6, University enrollment is 491 students, up from 164 in 1884
- 1889 YMCA begins to rent space in the building
- 1895-1896 SCA ceases to exist as a student organization; YMCA continues some SCA activities and lease the building
- 1911 Regents take control of the building on March 3, and rename it the University Association Building.
- 1914 YMCA rift with Board of Regents over religious issues; YMCA moves out of the building.
- 1914-1915 President Vincent presents the building to the Music Department as a Christmas present
- 1926 Child Welfare Department occupies building
- 1947 Renovation of building for Music Education program is begun, including construction of the enclosed stair on the south elevation,
- 1997 Building is vacated and put in lay-away status

2. Scope of Project:
- Deconstruction and demolition of Music Education Building
- Salvage useable sandstone and leaded glass windows (other material not salvageable due to previous renovations)
- Reroute utilities and restore utility services to adjacent buildings.
- Landscape restoration and historic interpretive mitigation.
3. Conformance with the Master Plan or Precinct/District Plan:

The Master Plan identifies the Music Education Building as a candidate for demolition.

4. Environmental Issues:

All hazardous materials have been removed from the Music Education Building by a licensed abatement contractor.

5. Cost Estimate:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Deconstruction/Demolition</td>
<td>$208,500</td>
</tr>
<tr>
<td>Utility rerouting and reconnecting, and sitework</td>
<td>50,000</td>
</tr>
<tr>
<td>Non Deconstruction/Demolition (structural, re-use, environmental, historic,</td>
<td>173,500</td>
</tr>
<tr>
<td>deconstruction studies &amp; plans)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 432,000</td>
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</tbody>
</table>

6. Capital Funding: University Funds – Repair & Replacement Funds $432,000

7. Annual Operating and Maintenance Cost and Source of Revenue: Reduction of $16,000

8. Time Schedule:

- Complete design – June 2009
- Begin Demolition – October 2009
- Removal Complete – November 2009
- Site Restoration Complete – May 2010

9. Architect: Miller Dunwiddie Architecture

10. Recommendation:

The above described project scope of work, cost, funding, and schedule is appropriate:

Richard Pfutzenreuter, Vice President and Chief Financial Officer

E. Thomas Sullivan, Senior Vice President for Academic Affairs and Provost

Kathleen O’Brien, Vice President for University Services
REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO
MUSIC EDUCATION BUILDING
DECONSTRUCTION AND DEMOLITION

WHEREAS, the historic Music Education Building (former YMCA) constructed in 1888 has been vacant and in lay-away condition to Secretary of the Interior Standard since 1996; and

WHEREAS, the University has conducted a process to analyze the reuse or continued use of the building, which included:

- Interviewing knowledgeable individuals;
- Meeting with local governmental authorities including the City of Minneapolis local council members, planning and zoning staff, and the Historic Preservation Commission;
- Holding a community open forum where the following were invited: neighborhood groups, City of Minneapolis, Minnesota Historical Society, Minnesota State Historic Preservation Office (SHPO), Preservation Alliance of Minnesota; and
- Providing a final draft of the reuse study to previously contacted and interested organization and community groups; and

WHEREAS, the University has studied alternative uses for the building including University uses (classroom and seminar rooms, offices, student commuter lounge, utility infrastructure, storage), Housing or Hospitality (guest housing, alumni hospitality and lodging, scholars housing, small hotel, condominiums), Religious Related Uses (ecumenical religious center, center for spirituality and healing, retreat center), Commercial Uses (office space, food service, housing or hospitality); and

WHEREAS, due to the building’s lack of physical accessibility, multiple fire and life safety code deficiencies, and small size (6,000 gross square feet), finding a financially feasible appropriate program fit has not been possible; and
WHEREAS, the University has invested approximately $357,000 to conduct the above reference activity and to maintain the lay-away status since 1996 and has estimated the cost to restore the building for occupation at approximately $2,900,000 or $483 per gross square feet; and

WHEREAS, the 2009 Twin Cities Master Plan has identified the Music Education Building as a candidate for demolition.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents recognize the historically significant nature of the Music Education Building; and

BE IT FURTHER RESOLVED, that the Board of Regents agrees the administration has analyzed and exhausted all reasonable options for a financially feasible reuse of the Music Education Building; and

BE IT FURTHER RESOLVED, that the Board of Regents concurs with the administration’s recommendation to deconstruct and demolish the Music Education Building on the Twin Cities Campus.
MUSIC EDUCATION BUILDING

Music Education Building,
Twin Cities Campus
Agenda Item: Schematic Plans

☑ review/action
☐ action
☐ discussion

Presenters: Vice President Kathleen O’Brien
Vice President, Tim Mulcahy
Associate Vice President Michael Perkins
Professor Marvin Marshak, Institute of Technology, Physics Department

Purpose:

☐ policy
☒ background/context
☒ oversight
☐ strategic positioning

In accordance with Board of Regents Policy: Reservation and Delegation of Authority, review and take action on the schematic plans for the following projects:

- NOvA - Phase II - Far Detector Building

Outline of Key Points/Policy Issues:

NOvA Far Detector Building, Ash River MN

- The University of Minnesota, as a leading institution within the NOvA (NuMI Off-Axis Electron Neutrino Appearance Experiment) collaboration, intends to construct a large physics detector in Northern Minnesota approximately 30 miles southeast of International Falls, near the unincorporated settlement of Ash River, MN to intercept and detect neutrinos produced approximately 810 km away at Fermi National Accelerator Laboratory (Fermilab) in Batavia, IL.

- Phase II of the NOvA project consists of construction of a 41,000 GSF Far Detector Building to house the detection equipment and all necessary support infrastructure.

Background Information:

NOvA Far Detector Building, Ash River MN

- The Capital Budget Amendment and Schematic Plans for Phase I of the project were approved by the Board of Regents in March 2009. Funding for this project is included in the Fiscal Year 2010 Capital Budget approved by the Board of Regents in June 2009. The US Department of Energy is paying for all of the costs of construction and operation of the facility.

President’s Recommendation for Action:

The President recommends approval of the schematic plans and of the appropriate administrative officers proceeding with the award of contracts for the development of construction documents and construction for the NOvA Phase II project.
1. **Basis for Request:**

The University of Minnesota, as a leading institution within the NOvA (NuMI Off-Axis Electron Neutrino Appearance Experiment) collaboration, intends to construct a large physics detector in Northern Minnesota approximately 30 miles southeast of International Falls, near the unincorporated settlement of Ash River, MN to intercept and detect neutrinos produced approximately 810 km away at Fermi National Accelerator Laboratory (Fermilab) in Batavia, IL. Neutrinos can change from one type to another and understanding the details of how they change is an important goal of the worldwide physics community. Detecting the neutrinos at a large distance from their point of production is important to maximize some of the effects to be studied. The combination of the existing Fermilab to Soudan MN neutrino beam and a new detector sited near Ash River gives the NOvA Collaboration a unique opportunity to study neutrinos more precisely than at any other existing facility worldwide.

The design, construction and operation of this facility are funded by the Department of Energy per a Cooperative Agreement with University of Minnesota. The Department of Energy (DOE) provided funding for FY2010 construction of the entire NOvA project in Ash River. The DOE funding for this project is a result of the enactment of the America Recovery and Reinvestment Act and the enactment of HR 1105 FY 2009 Omnibus Appropriations Act. The DOE will pay all costs of construction and operation of the NOvA Facility.

2. **Scope of Project:**

The scope of work consists of two subprojects: Phase I, Road Improvements and Site Preparation, has been previously approved by the Board. That project includes the upgrade of approximately 3.5 miles of existing logging road to provide all weather access to the Far Detector Building, clearing and grubbing of the building site and the rock excavation for the Detector Enclosure. The excavated rock will be crushed and sized in order to be used as road base and shielding berm.

Phase II is for construction of the 41,000 GSF Far Detector Building. The building consists of a below grade enclosure (approximately 70 feet wide by 70 feet tall and 350 feet long). The enclosure will be situated approximately 40 feet into the rock and will have cast-in-place concrete floor slab and walls. The roof of the Detector Enclosure will be a composite construction of precast concrete planks with a cast-in-place concrete topping. A 0.5 foot deep barite aggregate layer will provide cosmic ray shielding for the Detector Enclosure. Other features of the Detector Enclosure include cast-in-place concrete support spaces such as Computer Room, Control Room and Electrical Equipment Room. The Detector Enclosure will have four levels of steel access walkways on the west side that lead to exit stairs.

The adjacent, at-grade, Service Building will include a Loading Dock, Office, Toilet, Scintillator Equipment Room, Mechanical Equipment Room and Fire Protection Room. The Service Building will be a metal sided, structural steel building with a modified
bitumen roof membrane. Adjacent to the Loading Dock is a tanker unloading facility sized to accommodate four (4) trailers and appropriate spill containment.

The mechanical systems for the facility include rooftop HVAC units, sump pumps, ventilation fans and related accessories. The fire protection system for the facility will be a water mist system with 20,000 gallons of onsite water storage.

3. **Environmental Issues:**

Environmental conditions at the project site have been investigated by a qualified environmental consultant. The site is virgin land. The project budget incorporates a contingency and will be responsible for the corrective cost of any unforeseen environmental issues.

4. **Cost Estimate:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
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<tbody>
<tr>
<td><strong>Total Project:</strong></td>
<td></td>
</tr>
<tr>
<td>Construction Cost</td>
<td>$40,319,000</td>
</tr>
<tr>
<td>Non Construction Cost</td>
<td>4,000,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td>$45,139,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase II: Far Detector Building</strong></td>
<td></td>
</tr>
<tr>
<td>Construction Cost</td>
<td>$27,264,000 ($664 SQFT)</td>
</tr>
<tr>
<td>Non Construction Cost</td>
<td>2,480,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td>$29,744,000 ($725 SQFT)</td>
</tr>
</tbody>
</table>

5. **Capital Funding:**

All project capital cost is funded by The U.S. Department of Energy.

6. **Capital Budget Approvals:**

The design, construction and operation of this facility are funded by the U.S. Department of Energy per a Cooperative Agreement with University of Minnesota. This project was approved in the FY2010 Capital Budget acted upon by the Board of Regents in June 2009.

7. **Annual Operating and Maintenance Cost and Source of Revenue:**

Annual operating and maintenance cost for this remote facility are estimated at $350,000, in addition to the cost of the scientific and technical staff. The Department of Energy will pay 100% of those costs plus the University’s negotiated indirect cost recovery. This operational protocol is identical to the one that has been in place for more than 25 years at the University’s Soudan Underground Laboratory Lab located in Soudan, MN.
8. **Time Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete Design</td>
<td>February 2009</td>
</tr>
<tr>
<td>Establish Construction Guaranteed Maximum Price</td>
<td>July 2009</td>
</tr>
<tr>
<td>Begin construction</td>
<td>August 2009</td>
</tr>
<tr>
<td>Complete construction</td>
<td>November 2010</td>
</tr>
</tbody>
</table>

9. **Project Delivery Team:**

- Engineer/Architect of Record: Burns & McDonnell
- Construction Manager at Risk: Adolfson & Peterson, Inc.

The project delivery method is construction manager at risk.

10. **Recommendation:**

The above described project scope of work, cost, funding, and schedule is appropriate:

- Richard Pfutzenreuter, Vice President and Chief Financial Officer
  
- E. Thomas Sullivan, Senior Vice President for Academic Affairs and Provost
  
- Kathleen O’Brien, Vice President for University Services
Facilities Committee

July 8, 2009

Agenda Item:  Committee 2009-10 Work Plan Discussion

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters:  Regent Steven Hunter
Vice President Kathleen O'Brien

Purpose:

☐ policy  ☐ background/context  ☒ oversight  ☐ strategic positioning

According to Board of Regents Policy: Board Operations and Agenda Guidelines, Section II, Subdivision 7: Workplans, “Each year the Board and its committees develop work plans with the advice of the president or delegate.”

This discussion is intended to focus on major issues the committee may wish to address in FY 2009-10.

Outline of Key Points/Policy Issues:

The Facilities Committee oversees the University's physical assets (e.g., land, buildings, infrastructure, and equipment). This committee considers the general adequacy, condition, and use of existing facilities; oversees policy related to physical planning, reviews renewal, replacement, and new construction decisions; and recommends the financing of capital projects.

Specifically, this committee recommends:
  o capital budget amendments;
  o schematic plans;
  o real estate transactions; and
  o district and campus master plans.

This committee also:
  o reviews semi-annual capital improvement reports; and
  o receives miscellaneous facilities management reports and notification of significant issues.

Background Information:

The Board of Regents will discuss work plan issues at its July 2009 retreat.
July 2009

The Facilities Committee oversees the University’s physical assets (e.g., land, buildings, infrastructure, and equipment). This committee considers the general adequacy, condition, and use of existing facilities; oversees policy related to physical planning, utilities and energy management; reviews renewal, replacement, and new construction decisions; and recommends the financing of capital projects.

Specifically, this committee recommends:
- capital budget amendments;
- schematic plans;
- real estate transactions; and
- district and campus master plans.

The following issues will be considered by the committee in addition to the normal business items:

**Facilities Committee Agenda Items**

*Annual issues to be addressed:*
- Capital Planning and Project Management Semi-Annual Project Report
- Facilities Condition Assessment (FCA) and Facilities Management Update*
- Utilities and Energy Management annual report
- Issues related to: Annual Capital Budget
- Issues related to: Six-year Capital Plan

*Additional items for consideration by the Facilities Committee:*
- Update on Sustainability programs in University operations
- Biosciences Discovery District/Medical Biosciences Facilities update
- East Gateway District Plan report

**Facilities-related Agenda Items for the Full Board**

*Annual issues for Board of Regents action:*
- Six year Capital Plan
- Annual Capital Budget
- State Capital Request

*Additional issues for Board of Regents action:*
- Morris Campus Master Plan
- Crookston Campus Master Plan
- Board of Regents Sustainability policy – system-wide goals
- Central Corridor Light Rail Transit updates and MOU action

*Additional items for consideration by the Board:*
- University Neighborhood Alliance
- University Northside Partnership/Urban Research and Outreach Center
Facilities Committee

July 8, 2009

Agenda Item: Consent Report

☐ review  ☒ review/action  ☐ action  ☐ discussion

Presenters: Vice President Kathleen O’Brien

Purpose:

☐ policy  ☐ background/context  ☒ oversight  ☐ strategic positioning

There are no consent agenda items for the July Facilities Committee meeting.

Outline of Key Points/Policy Issues:

Background Information:
Facilities Committee

Agenda Item: Information Items

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: Vice President Kathleen O'Brien

Purpose:

☐ policy  ☒ background/context  ☐ oversight  ☐ strategic positioning

To update the Board of Regents regarding the University's negotiations to purchase 1701 University Avenue SE, Minneapolis.

Outline of Key Points/Policy Issues:

The University is in the process of negotiating a Purchase and Sale Agreement for the purchase of the land and building at 1701 University Avenue SE, Minneapolis, owned by the Newman Center and Chapel for the sum of $2.5 million. The property consists of 0.49 acre and is improved with a building of approximately 36,167 square feet constructed in 1952.

The property was occupied by the Newman Center at the University of Minnesota until the late 1990s, when the Newman Center activities were moved to the St. Lawrence Parish at 1201 5th Street SE, Minneapolis. The University has been leasing the property at 1701 University Avenue SE since August 17, 1999 for classroom and office purposes. That lease will terminate August 31, 2009.

The University would like to close on the purchase of this property on or before August 31, 2009, when our current lease ends. If the Purchase and Sale Agreement is finalized with the desired closing date, emergency approval of this purchase transaction by the Board of Regents will need to be requested because no Board of Regents meeting is scheduled in August, 2009. The required environmental investigation would be completed to confirm acceptable condition of the property at closing.

Background Information:

Information items are intended to provide the Board of Regents with information needed for them to provide their oversight responsibilities.