AGENDA

1. Real Estate Transaction - Action - K. O’Brien/S. Weinberg (pp. 2-5)
   A. Agreements for Use of University Facilities and Services with National Sports Foundation for USA Cup Soccer, July 15-16, 2009

2. Real Estate Transaction - Review/Action - K. O’Brien/S. Weinberg (pp. 6-9)
   A. Fifty-One Month Lease for Space at 102 S. Broadway, Rochester

3. Capital Budget Amendment - Review/Action - K. O’Brien/S. Lehmkuhle (pp. 10-13)
   A. Leasehold Improvement Project at 111 S. Broadway, Rochester

   A. Weisman Art Museum Expansion

5. Issues Related to: Annual Capital Improvement Budget - K. O’Brien (pp. 20-21)


7. Information Items - K. O’Brien (pp. 26-31) - REVISED
Agenda Item: Real Estate Transaction

Presenters: Vice President Kathleen O'Brien
Susan Carlson Weinberg, Director of Real Estate

Purpose:

In accordance with Board of Regents Policy: Reservation and Delegation of Authority, act on the following real estate transaction:

A. Agreements for Use of University Facilities and Services with National Sports Center Foundation, Inc. for USA Cup Soccer 2009, July 15 – 26, 2009 (Twin Cities Campus)

Outline of Key Points/Policy Issues:

The details of this transaction and its financial impact are described in the transaction information pages immediately following this page.

Background Information:

Board of Regents Policy: Reservation and Delegation of Authority states that the Board of Regents reserves to itself authority “to approve the purchase or sale of real property having a value greater than $250,000 or larger than ten (10) acres” and all “leases of real property, easements and other interests in real property if the initial term amount to be paid by or to the University exceeds $250,000, consistent with Board policies.”

The subject transaction was reviewed by the Board of Regents Facilities Committee in March 2009.

President's Recommendation for Action:

The President recommends approval of the following real estate transaction:

A. Agreements for Use of University Facilities and Services with National Sports Center Foundation, Inc. for USA Cup Soccer 2009, July 15 – 26, 2009 (Twin Cities Campus)
AGREEMENTS FOR USE OF UNIVERSITY FACILITIES AND SERVICES
WITH NATIONAL SPORTS CENTER FOUNDATION, INC.
FOR USA CUP SOCCER 2009, JULY 15 - 26, 2009
(TWIN CITIES CAMPUS)

1. **Recommended Action**

   The President recommends that the appropriate administrative officers receive
   authorization to execute the agreements with National Sports Center
   Foundation Inc. for its use of University facilities and services for USA Cup
   Soccer 2009 on July 15 through 26, 2009.

2. **Description of Facilities and Services**

   Lodging: Multi-bed space for approximately 1,400 youth and 300 adults
   located in Territorial Hall, 417 Walnut Street S.E; Centennial Hall, 624
   Delaware Street S.E.; and Frontier Hall, 701 Fulton Street, S.E.; July 15
   through 26, 2009.

   Group Registration Facilities: Frontier Hall Lounge, Centennial Lobby and
   Territorial Front Desk.

   Food Services: Residential dining in Centennial Hall from July 15 (dinner)
   through July 26, 2009 (lunch).

   Parking: Approximately 50 reserved spaces in University parking facilities
   mutually agreeable to the parties.

3. **Basis for Request**

   Many youth and adults attending and participating in the USA Cup Soccer held
   at the National Sports Center in Blaine have been housed and fed at the
   University of Minnesota over the past 19 years. For the USA Cup Soccer in
   2009, University registration and lodging facilities, dining services, and parking
   for approximately 1,400 youth and 300 adults have been requested.

4. **Fees**

   The National Sports Center Foundation will pay an estimated $277,760 for
   lodging and registration facilities, $261,395 (taxes included) for food service,
and $3,240 for parking and technology services, for a total of $542,395 for its USA Cup Soccer 2009 during the period of July 15 through 26, 2009.

5. **Use of Funds Received by the University**

Housing and Residential Life will receive the payment for the lodging and registration facilities estimated at $277,760. University Dining Services will receive the payment for the food services, including taxes, estimated at $261,395. Parking and Transportation Services will receive the payment for reserved parking estimated at $3,240.

6. **Recommendations:**

The above-described real estate transaction is appropriate:

Richard H. Pfitzenreiter, III, Vice President for Finance and CFO

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

Kathleen O’Brien, Vice President for University Services
Facilities Committee  May 7, 2009

Agenda Item:  Real Estate Transaction

☐ review  ☒ review/action  ☐ action  ☐ discussion

Presenters:  Vice President Kathleen O’Brien
             Susan Carlson Weinberg, Director of Real Estate

Purpose:

☐ policy  ☐ background/context  ☒ oversight  ☐ strategic positioning

In accordance with Board of Regents Policy: Reservation and Delegation of Authority, review and recommend approval of the following real estate transaction:

A. Fifty-One Month Lease for Suite 400, 102 South Broadway, Rochester (Rochester Campus)

Outline of Key Points/Policy Issues:

The details of this transaction and its financial impact are described in the transaction information pages immediately following this page.

Background Information:

Board of Regents Policy: Reservation and Delegation of Authority states that “The Board of Regents reserves to itself authority to approve the purchase or sale of real property having a value greater than $250,000 or larger than ten (10) acres” and all “leases of real property, easements and other interests in real property if the initial term amount to be paid by or to the University exceeds $250,000, consistent with Board policies.”

The March 2009 Facilities Committee agenda included an information item of this lease transaction. Review and action of this lease transaction is required in May so that this lease can commence June 1, 2009.

President’s Recommendation for Action:

The President recommends approval of the following real estate transaction:

A. Fifty-One Month Lease for Suite 400, 102 South Broadway, Rochester (Rochester Campus)
1. **Recommended Action**

The President recommends that the appropriate administrative officers receive authorization to execute a fifty-one month lease agreement with three successive three-year renewal options to continue the lease thereafter for Suite 400, 102 South Broadway, Rochester, for the Rochester Campus.

2. **Description of Leased Premises**

The leased premises will consist of 7,888 square feet of office space described as Suite 400, 102 South Broadway Rochester, Minnesota. These premises are connected by a skyway to the 56,752 square feet of classroom, office, laboratory, bookstore and student services space leased by the University in The Shops of University Square at 111 South Broadway, Rochester.

3. **Basis for Request**

The space to be leased at 102 South Broadway is required for additional faculty and staff offices for the Rochester Campus.

Suite 400 requires minimal work for occupancy by the University. Carpet cleaning and painting will be completed by the landlord before the University’s lease commences. The University’s Networking and Telecommunications Services will bring University fiber through the skyway connecting 102 and 111 South Broadway building to provide University telecommunications services in Suite 400. The University purchased the office cubicles and furniture used in Suite 400 by the former tenant.

4. **Details of Transaction**

The lease term will commence June 1, 2009 and continue on the same term as the lease for the 56,752 square feet at 111 South Broadway, with an August 31, 2013 expiration date for the initial lease term and three consecutive three-year renewal options to continue the lease thereafter (potentially through August 31, 2022).
5. **Lease Costs**

Base rent will be $3.00 per square foot for the first seven months ($1,972 per month, or $13,804 for the 7-month period), and $6.00 per square foot commencing January 1, 2010 through the remainder of the initial term ($3,944 per month, or $47,328 per year). The University will also pay common area maintenance costs (CAM), operating costs, and property taxes, estimated at an additional $9.27 per square foot for the first year ($6,093.48 per month, or $73,122 per year), and custodial services and separately-metered electricity, estimated at $2,180 per month, or $26,160 per year.

During the first 3-year renewal option period, base rent will be $6.18 per square foot ($4,062.32 per month, or $48,747.84 per year). During the second and third 3-year renewal option periods, base rent will increase by no more than 2% each 3-year period.

6. **Source of Funds**

Rochester Campus operations and maintenance funding will pay all costs related to the subject lease.

7. **Recommendations:**

The above-described real estate transaction is appropriate:

Richard H. Pfutzenreuter, III, Vice President for Finance and CFO

Stephen Lehmkuhle, Chancellor, Rochester Campus

Kathleen O’Brien, Vice President for University Services
This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office MNDNR, MnDOT
Facilities Committee

May 7, 2009

Agenda Item: Capital Budget Amendment

☐ review  ☒ review/action  ☐ action  ☐ discussion

Presenters: Vice President Kathleen O'Brien
Chancellor Stephen Lehmkuhle

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 Capital Budget Amendment to amend the Fiscal Year 2009 Capital Budget by $1,600,000 to fund the design and construction of the Rochester Campus Leasehold Improvement Project at 111 South Broadway, Rochester, Minnesota.

Outline of Key Points/Policy Issues:

Leasehold Improvements at 111 South Broadway, Rochester, Minnesota

The University of Minnesota Rochester (UMR) received approval for its new degree program, a Bachelor of Science in Health Sciences, and began recruiting a freshman class in January 2009. The planned increase in student population and the curriculum for the new academic program that begins Fall Semester 2009 requires an increase in laboratory spaces, furnishing previously-constructed classrooms, and developing additional student support spaces. This new degree program and subsequent enrollment growth is in direct response to the recommendations made by the Rochester Higher Education Development Committee and the academic priorities and strategic vision for UMR.

This amendment is presented for review and action in one month in order to accommodate a construction schedule that finishes the project for the start of the 2009-2010 academic year.

Refer to the attached project data sheet and map locating the Rochester campus in the City of Rochester.

Background Information:

This leasehold improvement project was included as a part of the Information Items for the March 12, 2009 Facilities Committee meeting.

President's Recommendation for Action:

The President recommends approval of the Capital Budget Amendment to amend the Fiscal Year 2009 Capital Budget by $1,600,000 to fund the design and construction of the Rochester Campus Leasehold Improvement at 111 South Broadway, Rochester, Minnesota.
Leasehold Improvement at 111 South Broadway, Rochester
Rochester Campus
Project No. 06-604-09-1675

1. Basis for Request

The University began leasing space in the building known as The Shops at University Square at
111 South Broadway, Rochester, on September 1, 2007. Currently, the University leases the 3rd
and 4th floors totaling 52,924 square feet of classroom, office and laboratory space, and 3,828
square feet on the first floor for a bookstore and student services. That lease will expire August
31, 2013 and the University has three 3-year options to continue the lease thereafter (potentially
through August 31, 2022).

The University of Minnesota Rochester (UMR) received approval for its new degree program, a
Bachelor of Science in Health Sciences, and began recruiting a freshman class in January 2009.
The planned increases in student population and the curriculum for the new academic program
that begins Fall Semester 2009 requires an increase in laboratory spaces, furnishing previously-
constructed classrooms, and developing additional student support spaces. This new degree
program and subsequent enrollment growth is in direct response to the recommendations made
by the Rochester Higher Education Development Committee and the academic priorities and
strategic vision for UMR.

2. Scope of Project

All spaces impacted by the project are located on the third and fourth floors of University Square
leased by the University:

Organic Chemistry Lab. An existing ITV classroom (424) on the fourth floor will be renovated into
an organic chemistry lab with a capacity of 24 students. It will include six double-sided fume
hoods, a two-hour fire rated wall around the room, demonstration tables in the center of the room,
lab storage cabinets and casework, and appropriate emergency wash stations. Renovations to an
existing lab prep area and conversion of a regular classroom (419) to ITV will also be completed.

Multipurpose Science Lab. An unfurnished classroom (418) on the fourth floor will be renovated
into a multipurpose science lab with a capacity of 24 students. It will include a two-hour fire rated
wall around the room, movable demonstration tables in the center of the room, lab storage
aboutments and casework, and appropriate emergency wash stations.

Learning Studios. Six unfinished classrooms (314, 317, 318, 337, 382, 415) on the third and
fourth floors will be completed as learning studios. The learning studio design comes from the
Steelcase Corporation and its research on learning environments. Each studio incorporates
integrated technology that encourages and enables group project learning. New terms such as
“huddle boards” and “walk and talk boards” will become a part of the student’s vernacular. Huddle
boards are small portable whiteboards that students can use to develop ideas, collaborate in their
learning, and then share with other students through a web portal. Walk and talk boards are
electronic whiteboards that are used to display teaching and learning content from faculty or
student presentations and can also be shared through a web portal.

Student Support Spaces. Three additional projects will be developed on the third floor to support
UMR student success. A student help desk for drop-in math, writing and library assistance will be
created to provide one-to-one assistance between faculty and students. Construction of a small
group study room located within the student lounge area will bring the total number of these rooms
to four. The new Bachelor of Science in Health Sciences degree is a laptop program. A laptop
repair area and office for IT staff completes the technology support for student success.
3. Environmental Issues

The project is a renovation of existing leased space currently used by UMR, no environmental issues are expected.

4. Cost Estimate

<table>
<thead>
<tr>
<th>Construction Cost</th>
<th>$1,185,000</th>
</tr>
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<tbody>
<tr>
<td>Non-Construction Cost</td>
<td>415,000</td>
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<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$1,600,000</strong></td>
</tr>
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5. Capital Funding

<table>
<thead>
<tr>
<th>Rochester City Local Sales Tax Option Funds</th>
<th>$1,500,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMR Operating and Maintenance Funds</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total Capital Funding</strong></td>
<td><strong>$1,600,000</strong></td>
</tr>
</tbody>
</table>

6. Capital Budget Approvals

This project was not included in the Fiscal Year 2009 Capital Budget because approval had not yet been obtained for the Bachelor of Science in Health Science degree program and the availability of Rochester city sales tax funds was not confirmed.

7. Annual Operating and Maintenance Cost and Source of Revenue

The annual operating and maintenance costs will be paid for by UMR's nonsponsored funds. The expenses should only increase minimally as the overall square footage does not increase. Minimal increases in electrical costs would be expected because of the creation of the science labs and the corresponding use of fume hoods and other scientific equipment.

8. Time Schedule:

<table>
<thead>
<tr>
<th>Complete design, establish GMP and begin construction</th>
<th>May 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete construction</td>
<td>August 2009</td>
</tr>
</tbody>
</table>

9. Architect/Contractor:

Owner/landlord, BGD5 Cooperative, will complete the project by contracting with HGA Architects and Weis Builders. The University will have a work letter for this project completed with the building owner/landlord.

10. Recommendations:

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

Richard H. Pfutzenreuter, III, Vice President and Chief Financial Officer

Stephen Lehmkuhl, Chancellor, University of Minnesota Rochester

Kathleen O'Brien, Vice President for University Services
This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office
MNDNR, MNDOT

102 South Broadway Ave
Rochester, MN 55904

Current Leased Space
Proposed New Lease
Facilities Committee

Agenda Item: Schematic Plans: Weisman Art Museum Expansion

☐ review  ☒ review/action  ☐ action  ☐ discussion

Presenters: Vice President Kathleen O’Brien
Vice President Steven Rosenstone
Lyndel King, Director Weisman Art Museum

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 Weisman Art Museum Expansion project located on the Twin Cities Campus.

Outline of Key Points/Policy Issues:

The project schematic plans will be presented at the committee meeting. The attached project data sheet addresses the basis for request, project scope, cost estimate, funding, and schedule. A map locating the project on the campus is also attached.

Weisman Art Museum Expansion

After nearly 60 years in “temporary” quarters in Northrop Auditorium, the University Art Museum opened in 1993 as the Frederick R. Weisman Art Museum. With the resources available at the time, the original planners of the Museum knew the facility might not be adequate for the future needs of the campus. However, so as not to miss an opportunity, the decision was made to build a smaller landmark facility designed by architect Frank Gehry.

The scope of the expansion project includes adding four galleries to the northeast corner of approximately 5,950 gross square feet and studio space to the north of approximately 2,200 gross square feet. Required mechanical and electrical modifications to the building are also included.

The four new collection galleries will add 50% more exhibition space for the Museum’s important and growing collections:

- Two galleries for American Art
- One gallery for ceramics
- One gallery for photography and works of art on paper
Background Information:

The Fiscal Year 2008 Capital Budget authorized $3,000,000 for the planning and design of the Museum Expansion. The balance of the funding for the project is planned to be included in the Fiscal Year 2010 Capital Budget, which is scheduled to be acted upon by the Board of Regents in June 2009.

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 Weisman Art Museum Expansion project located on the Twin Cities Campus.
Weisman Art Museum Expansion
Twin Cities Campus
Project No. 01-172-06-2072, Capital Budget No. TEVP 2392

1. Basis for Request:

A visionary University president, Lotus Coffman, believed that the arts gave value to people’s lives, and even in the difficult times of the 1930s, he started a new art museum at the University. He believed that the arts gave value to life and that access to the arts must be part of the education of every student at the University. For nearly 60 years the museum was housed in “temporary” quarters in the upper floors of Northrop Auditorium. In 1993 the University Art Museum opened as the Frederick R. Weisman Art Museum in a new innovative facility designed by Frank Gehry, no doubt the most famous architect working today.

Since then the Museum has experienced explosive growth. The bold sculptural design calls attention to the arts. Attendance has swelled to 150,000 visitors a year and more than 300 different community organizations and University departments have partnered with the Museum to present acclaimed exhibitions and popular programming. The Museum has become a beloved landmark that fascinates visitors and attracts worldwide attention.

With access to thousands of University students, the Museum’s mission and audience is unique. For many students the Museum is their first experience with an art museum. It is committed to offering a non-intimidating environment that will allow students—and all visitors—to learn to love art. Its programs help educate future innovative artists, knowledgeable museum visitors, enthusiastic art appreciators, and passionate collectors. If the Museum fulfills its mission, the arts will flourish in our state for generations to come.

The original planners of the Museum that opened in 1993 knew the space would not be adequate for the future needs of a vital museum on a major university campus. But its fundraising capabilities were limited. So, they seized the moment and made a decision. They would build a landmark facility designed by an extraordinary architect, even if it could not be as complete as it needed to be. The Museum would move into that facility, create excellent programs, and draw attention to the potential for the Museum to become a unique and valuable community asset. Then, when the time was right, the Museum would add the spaces that had always been envisioned. That time is now.

The Museum is among the top rank of university art museums in the country—but it has the smallest gallery space. The Museum’s collection numbers more than 20,000 works of art. These include a large number of significant paintings by early twentieth century American modernists, a growing collection of ceramics, ranging from ancient American Indian (Mimbres) bowls to very contemporary works, and photography, prints, and drawings.

Visitors come to the Museum expecting to see these well-known pieces on display. These expectations are not always met. At any one time fewer than 100 works can be on display in the current galleries. Additional galleries are needed to display more of the masterpieces in our collection.

The new galleries will allow the Museum to fulfill an important part of its mission that it cannot in the current facility. The first director of the Museum, Hudson Walker, believed that a university museum must have a collection. He knew that changing exhibitions are intriguing, but he believed students, and all visitors, also must have the opportunity to
develop deep relationships with works of art. This happens only when visitors are able to see the same work of art many times. It requires a collection that is on view. The new galleries will provide the needed space.

2. Scope of Project:

The Museum is located at the east end of the Washington Avenue Bridge at 333 East River Parkway. The scope of the project includes adding four galleries to the northeast corner of approximately 5,950 gross square feet and studio space to the north of approximately 2,200 gross square feet. Required mechanical and electrical modifications to the building are also included. The project requires the pedestrian path along the north side of the Museum to be moved farther north.

The four new collection galleries will add 50% more exhibition space for the Museum’s important and growing collections:

- Two galleries for American Art
- One gallery for ceramics
- One gallery for photography and works of art on paper

The Studio for Creative Collaboration will add a new program to the facility:

An iconic new wing located right next to the Museum’s main entrance will be devoted to stimulating creativity through collaborations—collaborations between artists, designers, and scholars in a variety of fields, and interactive, site specific projects that will insist that visitors collaborate with art.

The Studio for Creative Collaboration is both a place and a program. It will make public the process of creative collaboration as well as display the results. Sometimes dialogues will be conducted in public at the Museum; sometimes technology will allow students and other visitors to witness or even participate in behind the scenes discussions. Sometimes collaborators will work together to build an installation in the space. Sometimes music, literature, and visual arts collaborations will result in performances or new media creations. The Studio will be completely open to view while artists are working in it. It will remain transparent even to passersby through the large window.

3. Master Plan: The project is in compliance the campus master plan.

4. Environmental Issues:

No environmental issues are expected to be encountered during the construction of this project

5. Cost Estimate:

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<td>Non Construction Cost</td>
<td>$ 6,300,000</td>
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<td>Total Project Cost</td>
<td>$14,155,000</td>
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6. Capital Funding:

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<th>Description</th>
<th>Funding</th>
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<tbody>
<tr>
<td>UM Foundation Gift Funds Cash</td>
<td>$7,420,000</td>
</tr>
<tr>
<td>UM Foundation Gifts/Pledges Receivable 2009 through 2010</td>
<td>538,000</td>
</tr>
<tr>
<td>UM Foundation Gifts/Pledges Receivable 2011 through 2014</td>
<td>322,000</td>
</tr>
<tr>
<td>University Loan repaid from Bequests and Pledges</td>
<td>2,320,000</td>
</tr>
<tr>
<td>University Debt (Gift Matching Funds)</td>
<td>2,055,000</td>
</tr>
<tr>
<td>University Debt (Bridge Infrastructure)</td>
<td>1,500,000</td>
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<tr>
<td><strong>Total Project Funding</strong></td>
<td><strong>$14,155,000</strong></td>
</tr>
</tbody>
</table>

7. Capital Budget Approvals:

This project will be included in the Fiscal Year 2010 Capital Budget scheduled for action by the Board of Regents in June 2009.

8. Annual Operating and Maintenance Cost and Source of Revenue:

Additional annual operating and maintenance cost paid by the Weisman Art Museum are estimated to be $106,000.

9. Time Schedule:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Complete Design Development</td>
<td>September 2009</td>
</tr>
<tr>
<td>Establish Construction Guaranteed Maximum Price</td>
<td>October 2009</td>
</tr>
<tr>
<td>Begin construction</td>
<td>March 2010</td>
</tr>
<tr>
<td>Complete construction</td>
<td>Summer 2011</td>
</tr>
<tr>
<td>Occupancy</td>
<td>Fall 2011</td>
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10. Architect and Construction Manager:

<table>
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<tr>
<th>Role</th>
<th>Name and Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design Architect</td>
<td>Gehry Partners, LLP, Los Angeles, California</td>
</tr>
<tr>
<td>Executive Architect</td>
<td>Hammel, Green and Abrahamson, Inc, Minneapolis, Minnesota</td>
</tr>
<tr>
<td>Construction Manager</td>
<td>J E Dunn Construction, Eden Prairie, Minnesota</td>
</tr>
</tbody>
</table>

Construction Manager at Risk is the project delivery method for this project.

11. Recommendation:

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

Richard Pfutzenreuter, Vice President and Chief Financial Officer

Steve Rosenstone, Vice President, Scholarly & Cultural Affairs

Kathleen O'Brien, Vice President, University Services
Weisman Art Museum, Twin Cities Campus
Facilities Committee

May 7, 2009

Agenda Item: Issues related to: Annual Capital Improvement Budget

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: Vice President Kathleen O'Brien

Purpose:

☐ policy  ☒ background/context  ☒ oversight  ☐ strategic positioning

The University adopts an annual capital improvement budget which authorizes projects to begin design and construction during the upcoming fiscal year.

The purpose of the committee discussion is to provide additional detail regarding projects included in the annual capital budget.

Detailed project information sheets for projects included in the annual capital budget are included in the docket materials for the full Board of Regents.

Outline of Key Points/Policy Issues:

The Annual Capital Budget is reflective of the following planning principles.

1. Advance the academic excellence of the University of Minnesota by aligning capital projects with the established strategic positioning goals of:
   • Recruiting and educating outstanding students
   • Recruiting and supporting innovative, energetic world-class faculty and staff
   • Being responsible stewards of resources
   • Inspiring innovation, exploration, and discovery

2. Address service unit priorities that support the academic priorities.

3. Ensure that investments in existing facilities and infrastructure contribute to the safety, renewal, preservation, and restoration objectives and are aligned with the priorities of the University’s academic plan and master plan.

4. Give preference to projects that create flexible space, improve space utilization, and reduce operational costs.

5. Capitalize on unique opportunities that are aligned with academic priorities.

6. Protect the University’s financial position by keeping capital expenditures within the projected debt capacity limits.

7. Advance the guiding principles of the master plan and the Regents sustainability policies.
**Background Information:**

Board of Regents Policy: *Board Operations and Agenda Guidelines* directs the administration to conduct capital planning with a “6-year time horizon, updated annually.” This annual capital planning process is completed in two parts.

- Part 1, approved by the Board in June, is the annual Capital Improvement Budget for the coming fiscal year in which projects with completed predesigns and financing plans are approved to proceed with design and construction.
- Part 2 is a Capital Improvement Plan that establishes the institutions’ capital priorities for an additional 5 years into the future. This plan will become the basis for continued capital and financial planning.

This item will be also be reviewed by the full Board and the Finance & Operations Committee.

**President’s Recommendation for Action:**

The President recommends approval of the 2010 University Capital Improvement Budget and reaffirmation of its prior year capital expenditure authorization.
Agenda Item: Consent Report

☑ review/action  ☐ action  ☐ discussion

Presenters: Vice President Kathleen O'Brien

Purpose:

☐ policy  ☐ background/context  ☑ oversight  ☐ strategic positioning

In accordance with Board of Regents Policy: Reservation and Delegation of Authority, review and recommend approval of the following real estate transaction:

Agreements for the Use of University Facilities and Services for J. Robinson Wrestling Camp, July 3 Through July 30, 2009 (Twin Cities Campus)

Outline of Key Points/Policy Issues:

The details of this transaction and its financial impact are described in the transaction information pages immediately following this page.

Background Information:

Board of Regents Policy: Reservation and Delegation of Authority states that “The Board of Regents reserves to itself authority to approve the purchase or sale of real property having a value greater than $250,000 or larger than ten (10) acres, and all leases, easements, and other interests in real property with a present value of the gross rent to be paid by or to the University during the initial term in excess of $250,000, consistent with Board policies.”

In accordance with the Board of Regents Calendar, which is included in the Board of Regents Policy: Board Operations and Agenda Guidelines, the “sale or purchase of real property between 10 and 40 acres, or with a value between $250,000 and $500,000” and “leases with a present value between $250,000 and $500,000” are presented for review/action as part of the Facilities Committee Consent Report.

President's Recommendation for Action:

The President recommends approval of the Consent Report.
AGREEMENTS FOR THE USE OF UNIVERSITY FACILITIES AND SERVICES
FOR J. ROBINSON WRESTLING CAMP,
JULY 3 THROUGH JULY 30, 2009
(TWIN CITIES CAMPUS)

1. Recommended Action

The President recommends that the appropriate administrative officers receive
authorization to execute the agreements for the use of University facilities and services by
J. Robinson Intensive Camps/Clinics, LLC for its wrestling camp on July 3 through July
30, 2009.

2. Description of Facilities and Services

Lodging: Multi-bed space for approximately 250 wrestler’s and 17 adults in Sanford Hall,
1122 University Avenue SE, Minneapolis.
Camp Store and Storage Space: Sanford Hall, Room 176 (CYBER CAFÉ).
Registration: Sanford Hall Lobby, July 3, 2009

Food Services: Residential dining in Sanford Hall from July 3 (dinner only) through July
30, 2009 (lunch).

Athletic Facilities: Use of the indoor football field and auxiliary spaces of the Gibson-
Nagurski Indoor Football Field at dates and times during the period of July 3 through July
30, 2009 approved in advance.

Parking: Four parking spaces reserved in Lot C43 (south side of Sanford Hall) for 27 days,
July 3 through July 30, 2009.

3. Basis for Request

Many J. Robinson summer sports, youth and high school wrestling camps have occurred at
the University of Minnesota over the years. The wrestling camp scheduled during the
period of July 3 through July 30, 2009 will require University lodging and services for
approximately 250 wrestlers and 17 adults.

4. Fees

J. Robinson Intensive Camps/Clinics, LLC will pay an estimated $126,225 for lodging,
registration space and use of CYBER CAFÉ for camp store and storage; $158,918
(includes taxes) for food service; $21,780 for use of sport facilities, and an estimated $262
for parking, for a total of $307,185 for its wrestling camp during the period of July 3
through July 30, 2009.
5. Use of Funds Received by the University

Housing and Residential Life will receive the payment for the lodging, registration, camp store and storage facilities, estimated at $126,225. University Dining Services will receive the payment for the food services, estimated at $158,918. Intercollegiate Athletics will receive the payment for the athletic facilities, estimated at $21,780. Parking and Transportation Services will receive the $262 payment for the parking.

6. Recommendations:

The above-described real estate transaction is appropriate:

Richard H. Pfutenreuter, III, Vice President for Finance and CFO

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

Kathleen O’Brien, Vice President for University Services
Agenda Item: Information Items - REVISED

☐ review    ☐ review/action    ☐ action    ☒ discussion

Presenters: Vice President Kathleen O’Brien

Purpose:

☒ policy    ☒ background/context    ☐ oversight    ☐ strategic positioning

To update the Board of Regents on the following items:

1. The University’s negotiations to purchase approximately 1.41 acres of land at Oak Street SE and 7th Street SE owned by Union Pacific Railroad.

2. The final project review for the NOvA Far Detector Phase I Road and Site Work.

Outline of Key Points/Policy Issues:

University’s negotiations to purchase approximately 1.41 acres of land at Oak Street SE and 7th Street SE owned by Union Pacific Railroad.

The University is in the process of negotiating a Purchase and Sale Agreement for the purchase of approximately 1.41 acres of land at Oak Street SE and 7th Street SE owned by Union Pacific Railroad. The property is improved with a spur track that “dead ends” at both ends.

This property is required for the Center for Magnetic Resonance Research Renovation and Expansion Project, the first project to be constructed as a part of the Biomedical Research Facilities Program approved by the 2008 legislature. The current construction schedule for the Center for Magnetic Resonance Research Renovation and Expansion Project, as currently designed, requires access to the 1.41 acres during June 2009.

The University has requested that the Union Pacific Railroad allow immediate access to the property for completing the required environmental due diligence and to complete a boundary survey, which will determine the actual size of the property and the final purchase price.

If a purchase agreement for this property is executed with the Union Pacific Railroad, and to allow the Center for Magnetic Resonance Research Renovation and Expansion Project to proceed on its current schedule, emergency approval of this purchase transaction by the Board of Regents may be requested.
Final Project Review – NOvA Far Detector Phase I Road and Site Work.

According to Board of Regents Policy: Reservation and Delegation of Authority, Article I, Section VIII, Subdivision 9, “The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than $5,000,000 prior to award of construction contracts.”

The project information sheet for the NOvA Far Detector Project Phase I Road and Site Work is attached. Although the University has not yet received the funds for this project, the Department of Energy has confirmed its funding and is in process of releasing such funds. The University will not award construction contracts until the funding has been received.

Background Information:

Information items are intended to provide the Board of Regents with information needed for them to perform their oversight responsibilities.
Center for Magnetic Resonance Research Renovation,
Twin Cities Campus
This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office MetroGIS, MNDNR, MNDOT

Proposed Purchase of Union Pacific RR Parcel

- Union Pacific Parcel
- Other University Property

[Map showing proposed purchase area with street names such as 5th Ave SE, 4th Ave SE, University Ave SE, and Oak St SE]
University of Minnesota
Final Review of Capital Projects over $5 Million

NOvA Far Detector Phase I Road and Site Work

Policy Summary:

According to Board of Regents Policy Reservation and Delegation of Authority, Article I, Section VIII, Subdivision 9, “The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than $5,000,000 prior to the award of construction contracts.”

Project Summary:

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. This project was not included in the last fiscal year budget because it was subject to Department of Energy (DOE) funding. FY 2009 DOE funding is now confirmed as a result of the enactment of the America Recovery and Reinvestment Act and the expected enactment of HR 1105 FY 2009 Omnibus Appropriations Act. The DOE will pay all costs of construction and operation of the NOvA Facility.

The scope of work consists of two subprojects: The NOvA Site Preparation package 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. The second subproject is the approximate 40,000 GSF Far Detector Building and 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.

Board of Regents Approval Summary – Phase I Road and Site Work:

- Capital Budget: March 2009
- Schematic Plans: March 2009

Project Team:

- Architect/Engineer Team: Burns & McDonnell
- Contractor: Adolphson & Peterson Construction
- Construction Manager: Chuck McNabney, Hines Interests

Project Budget – Phase I Road and Site Work:

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Project Schedule:

- Begin Construction: June 2009
- Substantial Completion: November 2010

Consistency of project with approved scope, schedule and budget:

- [X] Yes
- [ ] No