Facilities, Planning, & Operations Committee

February 2017

February 9, 2017
9:45 a.m. - 11:45 am

West Committee Room, McNamara Alumni Center
1. Update on Long-Range Twin Cities Housing Plan

   Docket Item Summary - Page 4
   Progress Cards - Page 5
   Presentation Materials - Page 8

2. Capital Budget Amendment: Contaminated Real Estate Remediation (Twin Cities Campus) - Review/Action

   Docket Item Summary - Page 24
   Project Narrative - Page 25
   Project Location Map - Page 28
   Presentation Materials - Page 29

3. Schematic Design: Intercollegiate Athletics Track and Field Facility and Relocated Recreation Wellness Facilities (Twin Cities Campus) - Review/Action

   Docket Item Summary - Page 34
   Project Narrative - Page 35
   Project Location Map - Page 37
   Presentation Materials - Page 38

4. Capital Budget Amendment: AHC Renovation and Relocation Program (Twin Cities Campus) - Review

   Docket Item Summary - Page 51
   Project Narrative - Page 52
   Project Location Map - Page 55
   Presentation Materials - Page 56

5. Schematic Design - Review

   Docket Item Summary - Page 71

   AHC Renovation and Relocation Program (Twin Cities Campus)

   Project Narrative - Page 73
   Project Location Map - Page 76
   Presentation Materials - Page 77

   Health Sciences Education Center (Twin Cities Campus)

   Project Narrative - Page 92
   Project Location Map - Page 94
   Presentation Materials - Page 95

6. The Internet of Things in University Operations

   Docket Item Summary - Page 111
7. Consent Report - Review/Action

Docket Item Summary - Page 133

Amendment to Lease to Extend the Term an Additional 5 Years, First Floor, 1100 Washington Avenue South, Minneapolis (Twin Cities Campus)

Transaction Narrative - Page 134
Parcel Map - Page 136

Amendment to Lease to Extend the Term an Additional 5 Years, Second Floor, 1100 Washington Avenue South, Minneapolis (Twin Cities Campus)

Transaction Narrative - Page 137
Parcel Map - Page 139

Amendment to 99-Year Lease to Include Lecture Hall in Leased Premises, 801 16th Avenue NE, Austin (Hormel Institute)

Transaction Narrative - Page 140
Parcel Map - Page 143

8. Information Items

Docket Item Summary - Page 144

Assignment of Ground Lease at 615 Washington Avenue SE, Minneapolis (Twin Cities Campus)

Transaction Narrative - Page 145
Parcel Map - Page 146

2016 State Capital Appropriations Expenditures Report

2016 State Capital Appropriations Expenditures Report - Page 147
AGENDA ITEM: Update on Long-Range Twin Cities Housing Plan

☐ Review  ☐ Review + Action  ☐ Action  X Discussion

☐ This is a report required by Board policy.

PRESENTERS: Michael Berthlesen, Interim Vice President, University Services
             Laurie McLaughlin, Director of Housing and Residential Life

PURPOSE & KEY POINTS

The purpose of this item is to provide an overview of progress toward targets outlined in the resolution *Long-Term Development in Key Areas of the Twin Cities Campus*, approved by the Board in July 2016, and to share an update on recommendations in the 2015 Housing Strategy report and its 2016 addendum.

A progress card on those recommendations and resolution targets is included in the docket. Since approval of the resolution, progress has been made on advancing the reinvestment in Pioneer Hall; marketing and signup for the new master leased apartment facilities; pursuing strategic acquisitions; and refining supply vs. demand analysis.

The committee also will be briefed on new initiatives to support students and efforts to better understand where students live once they move to non-University housing.

BACKGROUND INFORMATION

The committee has participated in the following agenda items that inform the discussion of student housing:

- July and September 2016: *Capital Budget Amendment: Pioneer Hall Renovation and Superblock Dining Consolidation*
- July 2016: *Master Lease of Student Housing Facilities - Radius at 15th and Keeler Apartments*
- June and July 2016: *Resolution Related to Long-Term Development in Key Areas of the Twin Cities Campus*
- May 2016: *University Housing: The Role of Master Leasing in Meeting Enrollment Goals*
- February 2016: *Long-Range Campus Planning Part II: University Housing*
<table>
<thead>
<tr>
<th>RECOMMENDATION</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Establish a comprehensive student housing strategy that incorporates both University and non-University managed housing.</td>
<td>• Complete. Achieved through publication and discussion of 2015 report and 2016 addendum.</td>
</tr>
<tr>
<td>2: Adopt basic principles for what the University expects from both University and non-University student housing.</td>
<td>• Complete. Achieved through publication and discussion of 2015 report.</td>
</tr>
<tr>
<td>3: Reaffirm the housing guarantee for all first-year students meeting the May application deadline and continue to make serving the housing needs of first-year students the highest priority.</td>
<td>• Complete. Implemented and maintaining.</td>
</tr>
<tr>
<td>4: Explore options for creating a need-based housing scholarship program to provide access to University housing for financially disadvantaged first-year students.</td>
<td>• Complete. Initial $3+ million endowment created, funds scholarships covering 50% cost of University housing and meals. First 29 awards made fall 2016. Additional gifts will be target of upcoming capital campaign.</td>
</tr>
<tr>
<td>5: Limit expanded housing to residential, non-community spaces.</td>
<td>• Complete. Implemented fall 2016. First-year students who applied after May 1 guarantee date are only offered housing if space allows.</td>
</tr>
<tr>
<td>6: Initiate a comprehensive planning and predesign process for evaluating the full range of options for renovating or replacing Pioneer Hall and modernizing Superblock dining within the existing Superblock. The study should include the development of a financing plan and an evaluation of lower cost design and construction options.</td>
<td>• Complete. Multiple options explored. Renovation and expansion of Pioneer Hall and consolidation of Superblock dining approved by Board of Regents in September 2016. Project completion expected for fall 2019 move-in.</td>
</tr>
<tr>
<td>7: University campus plans should evaluate demand for West Bank housing, particularly in concert with other new student services facilities.</td>
<td>• On hold. Recommendation is contingent on future student services facilities and ongoing assessment of student demand for University housing.</td>
</tr>
<tr>
<td>RECOMMENDATION</td>
<td>STATUS</td>
</tr>
<tr>
<td>----------------</td>
<td>--------</td>
</tr>
<tr>
<td><strong>8:</strong> Evaluate options to make Bailey Hall more attractive to students and for increasing demand for students to live there. A broader assessment should identify services and amenities that would be required on the Saint Paul campus to create student demand for a residential experience there.</td>
<td>• In progress. HRL launched new service dog LLC with College of Vet Medicine in fall 2016, set to offer new Greek Unity LLC in fall 2017. Student Unions is studying the future of the Saint Paul Student Center. The President is expected to charge a workgroup to look at the role of the Saint Paul campus, and housing/other amenities will serve to support that academic vision.</td>
</tr>
<tr>
<td><strong>9:</strong> Research, plan, fund, and implement a formal second-year experience program in University housing and in partnership with non-University housing providers.</td>
<td>• Complete. Second-year program developed by HRL, OSA, OFYP, and Undergrad Education. Pilot program launched fall 2016 in Dinnaken and Keeler facilities. Assessment of pilot and responsibility for long-term oversight will continue through spring 2018.</td>
</tr>
<tr>
<td><strong>10:</strong> HRL should give room selection priority to first-year students wishing to return to University housing for a second year.</td>
<td>• Complete. HRL developed and implemented a new room reapplication process first used in November 2015 for fall 2016 housing. Second-year students now select rooms before upper-division students.</td>
</tr>
<tr>
<td><strong>11:</strong> Maintain University housing’s existing 200 transfer student commitment at present and increase that number as space permits.</td>
<td>• Complete. Achieved through publication and discussion of 2015 report. Fall 2016 capacity for transfers anticipated at ### beds.</td>
</tr>
<tr>
<td><strong>12:</strong> Incorporate a larger but appropriately scaled transfer student program into the non-University partnership options being evaluated for an expanded second-year experience.</td>
<td>• On hold. This recommendation is dependent on the outcome of recommendation #9.</td>
</tr>
<tr>
<td><strong>13:</strong> The University should engage non-University housing management on safety and livability issues.</td>
<td>• In progress. Workgroup charged to detail integrated communication and engagement program for students and non-University housing management.</td>
</tr>
<tr>
<td><strong>14:</strong> Support efforts to improve facility life/safety conditions in existing Greek housing facilities.</td>
<td>• Complete. The University approved a Greek loan program at the June 2015 Board of Regents meeting. To date, $1.5 million in loans have been made.</td>
</tr>
</tbody>
</table>
## Board of Regents Long-Term Vision Directives and Status

### January 2017

<table>
<thead>
<tr>
<th><strong>DIRECTIVE</strong></th>
<th><strong>STATUS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of facilities to be decommissioned, renovated, and built along with their preferred site/location, focusing first year student housing in a residential neighborhood along the Mississippi River corridor.</td>
<td><strong>Complete.</strong> Present plans call for all existing University housing to be maintained and upgraded, but no full building-wide renovations envisioned. Future locations include the riverfront sites identified in the July 2016 Board-adopted long-range vision for the Southeast Gateway.</td>
</tr>
</tbody>
</table>

### A: Prioritizing student housing facilities planning based upon high quality residential student experiences, density of residential neighborhoods, proximity to classrooms, academic support facilities, and student-related services, access to green space and transit, safety, financial feasibility, and affordability. | **In progress.** Analysis of new or existing master leases, acquisitions, or new construction considers these factors. |

### B: Committing to the current residential Superblock site to continue to support student housing needs for the next several decades. Therefore, the University will engage in ongoing and planful maintenance, repair, and reinvestment of the existing housing as necessary in order to provide a quality student experience with targeted financial parameters within this lifecycle. | **In progress.** Renovation of Pioneer Hall is in design, slated to begin in May 2017. Targeted investments in common spaces (lounges, study areas, kitchens) are underway to improve and modernize those facilities. System replacements (HVAC, electrical, plumbing) and ongoing building repair/maintenance continues across the system. |

### C: Exploring and proposing options for housing a larger percentage of undergraduate students given the anticipated increase in enrollment and the Board’s desire to expand housing availability beyond the first year to a greater percentage of second-year and transfer students in support of increased student retention and stronger academic achievement. | **In progress.** Current plans meet/exceed forecast enrollment strategy targets. As new facilities are brought into inventory, HRL continues to assess demand beyond Board-identified targets for second-year and transfer students. |

### D: Advancing the use of master lease agreements to expand University housing capacity in the short-term and build additional capacity in the long-term for non-first-year students. | **Complete.** Master leases at Keeler and Radius have been signed and will commence in fall 2017. |

### E: Engage the support of the University of Minnesota Foundation to help identify and evaluate opportunities to collaborate or coordinate housing strategies with private parties | **In progress.** Partnership with Dinnaken on second-year experience program. UMFREA management of Greek Loan program. |
Plan is the Result of 2½ Years Work
• 2015 Twin Cities Housing Strategy
• 2016 Housing Strategy Addendum
• 2016 Board of Regents Enrollment Strategy
• 2016 Board of Regents Housing and AHC Resolution
• 14 recommendations
  ◦ 10 complete
  ◦ 2 in progress
  ◦ 2 on hold
Board Resolution Progress Card

- 6 key areas
  - 2 complete
  - 4 in progress
  - 0 on hold
Forecasting Demand: An Art, Not a Science

- Admissions sets enrollment targets
- Housing sets aside beds for 90% of first-year enrollment target
- Remaining capacity available for second-year (25% goal), transfer (10% goal), others
Forecasting Demand: An Art, Not a Science

- Take-rate for first-year students (admissions offers, May 1 guarantee) can create unplanned strain on occupancy
- Mid-year transfer student housing
- Impact of excess capacity on rates
Update on New Master Leased Facilities

- Net gain of 241 beds over fall 2016
Capacity by Type

(assignable beds increase 13.2%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Residence Halls</th>
<th>Apartments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 (baseline)</td>
<td>5758</td>
<td>1028</td>
</tr>
<tr>
<td>2017 (new master leases)</td>
<td>5081</td>
<td>1946</td>
</tr>
<tr>
<td>2019 (Pioneer complete)</td>
<td>5821</td>
<td>1535</td>
</tr>
<tr>
<td>2021 (enrollment strategy realized)</td>
<td>5821</td>
<td>1862</td>
</tr>
</tbody>
</table>
Supportive Services Matrix

- Community Living
- Student Development and Community Programming
- Community Adviser
- On-Site Management
- Study Rooms
- Building Amenities
- Proximity

- Residence Halls
- First Year and Affinity; Some Second, Transfer
- University-Owned, Managed, or Programmed Apartments
- Second Year and Transfer; Some Upper Division
- Post-2000 Private Housing
- Upper Division Graduate/Professional
- Pre-2000 Private Housing
- Graduate/Professional Student Families

(Arrow indicates direction and relationship between services and proximity.)
<table>
<thead>
<tr>
<th>Market</th>
<th>Unit Count</th>
<th>Bed Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Residence Hall</td>
<td>3,398</td>
<td>5,758</td>
</tr>
<tr>
<td>University Apartment</td>
<td>496</td>
<td>1,028</td>
</tr>
<tr>
<td>University Cooperative</td>
<td>820</td>
<td>3,088</td>
</tr>
<tr>
<td>Greek Houses</td>
<td>43</td>
<td>1,273</td>
</tr>
<tr>
<td>Nonprofit Apartment and Cooperative</td>
<td>484</td>
<td>1,319</td>
</tr>
<tr>
<td>Large Apartment Buildings</td>
<td>4,382</td>
<td>10,316</td>
</tr>
<tr>
<td>Small Apartment Buildings / Houses</td>
<td>1,505</td>
<td>4,439</td>
</tr>
<tr>
<td>Future to Open (large apartment)</td>
<td>1,250</td>
<td>2,642</td>
</tr>
</tbody>
</table>

**TOTAL**                                      | **12,378** | **29,863** |
Bed Capacity
by Facility Type

Note: The below chart also accounts for some facilities not displayed on the map, such as Bailey Hall located on the St. Paul campus.

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>Current</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Apartment Buildings</td>
<td>11,300</td>
<td>12,650</td>
</tr>
<tr>
<td>Small Apartment Buildings, Houses, Townhouses</td>
<td>9,500</td>
<td></td>
</tr>
<tr>
<td>Large Residence Halls</td>
<td>6,400</td>
<td></td>
</tr>
</tbody>
</table>
Bed Capacity by Business Type

Note: The below chart also accounts for some facilities not displayed on the map, such as Bailey Hall located on the St. Paul campus.

For Profit
- Current: 14,700
- Future: +2,650

Non-Profit
- Current: 10,900

Co-op
- Current: 500

Greek Housing
- Current: 1,100
Student Support Systems

Non-University Housing
- Off-campus listing service
- Roommate finder
- Student Legal Services
- Commuter Connection
- Renter education
- Neighborhood liaisons
- Commuter meal plan
AGENDA ITEM: Capital Budget Amendment: Contaminated Real Estate Remediation (Twin Cities campus)

☐ Review ☒ Review + Action ☐ Action ☐ Discussion

☐ This is a report required by Board policy.

PRESENTERS: Suzanne Smith, Assistant Vice President, Capital Planning and Project Management
Bruce Gritters, Director of Project Delivery, Capital Planning and Project Management
Michael Volna, Associate Vice President and Controller

PURPOSE & KEY POINTS

The purpose of this item is to review and take action on an amendment to the FY 2017 Annual Capital Improvement Budget for the following project:

- Contaminated Real Estate Remediation (Twin Cities campus)

A project data sheet is included in the docket materials and addresses the basis for request, project scope, cost estimate, funding, and schedule for this project. A map locating the project on the Twin Cities campus is also included.

BACKGROUND INFORMATION

The University completed the purchase of the Electric Steel Elevator (ESE) and the Mathisen Elevator properties on November 17, 2015 and October 17, 2016, respectively. At the time of these purchases, the University completed Phase I and II environmental surveys for both properties, which provided limited information pertaining to the known scope of environmental remediation. The University also included, as part of the ESE purchase, the assignment of the steel elevator demolition contract from the previous owner. Based upon this information, the estimated costs to address the environmental issues were included in budgets in the following amounts: $70,000 for ESE and $250,000 for Mathisen.

PRESIDENT'S RECOMMENDATION

The President recommends approval of an amendment to the FY 2017 Annual Capital Improvement Budget for the project listed below and of the appropriate administrative officers proceeding with the completion of the project:

- Contaminated Real Estate Remediation (Twin Cities campus)
1. **Basis for Request:**

The University looks for opportunities to purchase real estate that strategically align with the University’s needs, especially in the northeast part of the Minneapolis campus. On November 17, 2015 the University completed the purchase of the Electric Steel Elevator (ESE) property and on October 17, 2016 completed the purchase of the Mathisen property.

The University always completes a Phase I Environmental Assessment prior to purchasing property. If a Phase I indicates the potential for contamination of soil or groundwater and recommends further investigation, a Phase II is completed. A Phase II is an "intrusive" investigation that collects original samples of soil and groundwater, and, if structures on the property are going to be used by the University, the Phase II may include building materials to analyze for quantitative values of various contaminants. Most frequent substances tested are petroleum hydrocarbons, heavy metals, pesticides, and solvents.

Both Phase I and II assessments focus on soil and groundwater contaminants, however the assessments may note the presence of potentially asbestos-containing material (asbestos in the soil is not typically encountered or tested for.) If the purchase includes structures to be used by the University, the due diligence includes an evaluation of the structures, which may include asbestos/hazardous materials surveys. Otherwise, the University completes separate asbestos/hazardous materials surveys of the structure(s) on a post-closing basis.

At the time of the ESE and Mathisen land purchases, the University completed Phase I and Phase II environmental surveys for both properties, which tested for the type of contaminants as noted above. The University also included, as part of the ESE purchase, the assignment of the steel elevator demolition contract from the previous owner. The estimated costs based upon this information were included in budgets to address the environmental issues, $70,000 for ESE and $250,000 for Mathisen.

2. **Change in Project Scope:**

After the Electric Steel Elevator and Mathisen properties were acquired, University staff directed additional testing of building materials that were not included in Phase II. That testing revealed new areas requiring abatement of asbestos prior to demolition, primarily in the roof structures of both sites. Once the contractor was mobilized on the Mathisen site, they began site analysis to determine the depths of the footings. In doing so they discovered unknown buried asbestos containing materials from prior demolished buildings. This buried hazardous material, as well as other unsuitable soil, must be excavated and exported, and replaced with clean fill.

Both University staff and the University’s geotechnical consultant have indicated that the concrete foundations cannot be crushed and used as backfill according to MPCA requirements, which is what the seller’s demolition contract for ESE was based upon. In addition, the consultant has indicated that the concrete would not be suitable backfill on these sites due to the high water table. Both factors require that the concrete be hauled offsite and
suitable fill imported. These limitations were not known at the time of purchase. The anticipated cost to address the unknown asbestos remediation and the export of concrete / import of clean fill on both sites is $3,500,000. A Capital Budget Amendment is requested so that the projects may proceed to complete the demolition.

3. Master Plan:

The project is in compliance with the Twin Cities Campus Master Plan dated March 2009.

4. Environmental Issues:

No other environmental issues are known at this time.

5. Cost Estimate:

<table>
<thead>
<tr>
<th></th>
<th>ESE</th>
<th>Mathisen</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demolition Cost</td>
<td>$1,250,000</td>
<td>$2,500,000</td>
<td>$3,750,000</td>
</tr>
<tr>
<td>Capital Budget Amendment</td>
<td>1,800,000</td>
<td>1,700,000</td>
<td>3,500,000</td>
</tr>
<tr>
<td><strong>Total ESE and Mathisen Project Cost</strong></td>
<td><strong>$3,050,000</strong></td>
<td><strong>$4,200,000</strong></td>
<td><strong>$7,250,000</strong></td>
</tr>
</tbody>
</table>

6. Capital Funding:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>University Debt</td>
<td>$7,250,000</td>
</tr>
<tr>
<td><strong>Total ESE and Mathisen Project Funds</strong></td>
<td><strong>$7,250,000</strong></td>
</tr>
</tbody>
</table>

7. Capital Budget Approvals:

The Mathisen project was approved as a Capital Budget Amendment in October 2016. A real estate transaction was approved by the Board of Regents in June 2015 for the purchase of the Electric Steel Elevator property. It included the demolition of the electric steel elevators by the seller with the University reimbursing the seller for demolition costs. Subsequent Information Items were presented to both the Facilities, Planning, and Operations Committee and Finance Committee in December 2015. The items outlined that the University assumed the seller’s contract with the demolition contractor in order to prepare the site for future use by the University. In a separate action the Finance Committee approved a Resolution Related to Issuance of Debt that provided $2.5 million for the acquisition of the property, including the demolition. An Exception to Bid: Electric Steel Elevator Demolition Contract was included in the Information Items for the Finance Committee in February 2016.

8. Annual Operating and Maintenance Cost:

Not applicable.
9. Time Schedule:
   Mathisen Demolition and Abatement Completion: April 2017
   ESE Demolition and Abatement Completion: July 2017

10. Project Team:
    ESE and Mathisen Demolition Contractor: Veit

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

       Michael Berthelsen, Interim Vice President for University Services

       Brian Burnett, Senior Vice President for Finance and Operations
Contaminated Real Estate Remediation
Twin Cities Campus

Board of Regents Facilities, Planning, and Operations Committee
February 9, 2017
Capital Budget Amendment
Location Map
Capital Budget Amendment

Property Condition

- Environmental Phase 1 & Phase 2
  - Typical Elements
- Electric Steel Elevator Demolition
  - Post Purchase
    - asbestos in roof structure and site materials and unsuitable soils
- Mathisen Elevator Demolition
  - Post Purchase
    - asbestos in roof and backfill materials determination
Capital Budget Amendment

Project Description

- **Cost Estimate**
  - Demolition Cost: $1,250,000
  - Capital Budget Amendment: $1,800,000
  - Total ESE / Mathisen Project Cost: $3,050,000

- **Capital Funding**:
  - University Debt: $7,250,000
  - Total ESE / Mathisen Project Budget: $7,250,000

- **Anticipated Completion**: June 2017
AGENDA ITEM: Schematic Design: Intercollegiate Athletics Track and Field Facility and Relocated Recreation Wellness Facilities (Twin Cities campus)

☐ Review  ☒ Review + Action  ☐ Action  ☐ Discussion

☒ This is a report required by Board policy.

PRESENTERS: Suzanne Smith, Assistant Vice President, Capital Planning and Project Management
Scott Ellison, Associate Athletics Director, Facilities
George Brown, Assistant Vice Provost for University Recreation and Wellness

PURPOSE & KEY POINTS

The purpose of this item is to review and take action on a schematic design for the following project:

- Intercollegiate Athletics Track and Field Facility and Relocated Recreation Wellness Facilities (Twin Cities campus)

A project data sheet is included in the docket and addresses the basis for request, project scope, cost estimate, funding, and schedule for this project. A map locating the project on the Twin Cities campus is also included.

BACKGROUND INFORMATION

This project will construct a new competition-level track and field facility for Intercollegiate Athletics at the Athletes Village site on the East Bank and relocate the existing Recreation Sports bubble and softball field to the intersection of 25th Avenue SE and 6th Street SE.

The Board approved a capital budget amendment for this project in October 2016.

PRESIDENT’S RECOMMENDATION

The President recommends approval of schematic design for the project listed below and of the appropriate administrative officers proceeding with the design and construction for this project:

- Intercollegiate Athletics Track and Field Facility and Relocated Recreation Wellness Facilities (Twin Cities campus)
1. **Basis for Request:**

The University’s Track and Field Practice Facility was displaced as a result of the construction of the new Athletes Village complex. The University’s women’s and men’s Track and Field teams are currently commuting to Hamline University for practice. The creation of a new track on the Twin Cities Campus, adjacent to the new Athletes Village Complex, will strengthen the University’s commitment to Track and Field and provide opportunities for the University to host competitive events.

The new location for Track and Field currently houses the Recreation Sports Bubble and Softball Field, requiring its’ relocation. The new location for the Bubble and Softball Field will be at the corner of 25th Avenue and 6th Street SE, which provides a prominent location with improved access to parking and mass transit.

2. **Scope of Project:**

The project will construct a new Track and Field Facility at the Athletes Village site at the current location of the Recreation Sports bubble and softball field. The nine-lane track will also include areas for field events such as discus/hammer throw, long jump, pole vault, etc. The facility will include 3,741 sf of support facilities required for an NCAA competition-level track including restrooms, press box, and 4,000 seat capacity (permanent and temporary) stands.

The relocation of the Recreation Sports bubble and softball field will reconstruct the existing facilities. The project will repurpose the existing sports bubble and salvage, as applicable, the existing mechanical, plumbing, and electrical systems.

3. **Master Plan:**

The project is in compliance with the Twin Cities Campus Master Plan dated March 2009.

4. **Environmental Issues:**

Identified remediation costs include anticipated contaminated soil on both sites. The project budget accounts for the remediation as currently identified.

5. **Cost Estimate:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Track and Field Facility Construction Cost</td>
<td>$11,025,000</td>
</tr>
<tr>
<td>Recreation Sports Bubble &amp; Softball Field Construction Cost</td>
<td>5,750,000</td>
</tr>
<tr>
<td>Non-Construction Cost</td>
<td>1,645,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$19,000,000</strong></td>
</tr>
</tbody>
</table>
6. Capital Funding:
- University Debt: $19,000,000
- Total Capital Funding: $19,000,000

7. Capital Budget Approvals:
This project was included as an amendment to the FY 2017 Capital Budget in October 2017.

8. Annual Operating and Maintenance Cost:
It is anticipated that annual costs for both facilities will be similar to previous track and current sports bubble costs.

9. Time Schedule:
- Design complete: June 2017
- Bubble Relocation estimated substantial completion: November 2017
- Track estimated substantial completion: August 2018

10. Project Team:
- Design/Build Architect: DLR Group
- Design/Build Contractor: PCL Construction

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

Mark Coyle, Director of Intercollegiate Athletics

Brian Burnett, Senior Vice President for Finance and Operations
Track and Recreation Sports Bubble
University of Minnesota Twin Cities Campus

Site Map

Track & Field Facility

Recreation Sports Bubble & Softball Field Replacement

North
Intercollegiate Athletics Track and Field Facility and Relocated Recreation Wellness Facilities
Twin Cities Campus

Board of Regents Facilities, Planning, and Operations Committee
February 9, 2017
Schematic Design
Location Map

Athletes Village
Track and Field Site

Recreation Sports
Bubble and Softball
Field Site

↑ North
Schematic Design

Project Rationale

• Provide an NCAA competition-level Track and Field Facility on campus

• Comparable relocation for the Recreation Sports Bubble and Softball Field
  – improved parking and access to light rail

• Maximize shared amenities with the Athletes Village complex creating an integrated Intercollegiate Athletics experience
• Track and Field Facility
  – 9 lane track and field events such as discus/hammer throw, long jump, pole vault, etc.
  – 3,741 gsf of new support buildings

• Rec Sports Bubble/Softball Field
  – Relocation of existing sports bubble and softball field
Schematic Design

Project Description

• Cost Estimate
  – Track and Field Facility Construction $11,605,000
  – Recreation Sports Bubble Construction 5,750,000
  – Non-construction 1,645,000
  – Project Cost $19,000,000

• Capital Funding:
  – University Debt $19,000,000
  Total Approved Project Budget $19,000,000
• Anticipated Completion:
  – Bubble Relocation: December 2017
  – Track Construction: September 2018

• Estimated Annual Operating Costs:
  – No significant change

• Project Delivery: Design/Build
  – Design/Build Contractor: PCL Construction
  – Design/Build Architect: DLR Group
Schematic Design

Building Exterior: Track and Field Facility
Schematic Design
Building Exterior: Rec Sports Bubble
Schematic Design
Building Exterior: Rec Sports Bubble
Schematic Design

Building Exterior: Rec Sports Bubble
AGENDA ITEM: Capital Budget Amendment: AHC Renovation and Relocation Program (Twin Cities campus)

[X] Review   [ ] Review + Action   [ ] Action   [ ] Discussion

This is a report required by Board policy.

PRESENTERS: Suzanne Smith, Assistant Vice President, Capital Planning and Project Management
Brooks Jackson, Vice President for Health Sciences and Dean of the Medical School

PURPOSE & KEY POINTS

The purpose of this item is to review an amendment to the FY 2017 Annual Capital Improvement Budget for the following project:

- AHC Renovation and Relocation Program (Twin Cities campus)

A project data sheet is included in the docket and addresses the basis for request, project scope, cost estimate, funding, and schedule for this project. A map locating the project on the Twin Cities campus is also included.

BACKGROUND INFORMATION

Several Academic Health Center departments and programs remain in the Veterans of Foreign Wars Cancer Research Center (VFW) and the Masonic Memorial (Masonic) Building. The opening of the Clinics and Surgery Center resulted in vacant space in other facilities that can be repurposed for the current occupants of VFW and Masonic. Once the critical research and clinical operations are relocated to renovated space, these two “do not invest” facilities can be demolished. This is in alignment with the University’s Building-by-Building Strategy and the 2016 AHC strategic facilities plan.

SENIOR VICE PRESIDENT’S RECOMMENDATION

The Senior Vice President for Finance & Operations recommends approval of an amendment to the FY 2017 Annual Capital Improvement Budget for the project listed below and of the appropriate administrative officers proceeding with design and construction:

- AHC Renovation and Relocation Program (Twin Cities campus)
AHC Renovation and Relocation Program
University of Minnesota Twin Cities
Project No. 01-000-17-0309

1. Basis for Request:

There are several Academic Health Center departments and programs remaining in the Veterans of Foreign Wars Cancer Research Center (VFW) and the Masonic Memorial (MM) Building. These two buildings have been designated “do not invest” in the University’s Building-by-Building Strategy. The current occupants must be moved out of the existing buildings prior to demolition and relocated within the Academic Health Center to ensure that critical research and clinical operations can continue.

2. Scope of Project:

The project will renovate eight distinct sub-project areas in three building locations: Phillips Wangenstein Building (PWB), Moos Tower (Moos), and 717 Delaware (717) for office, laboratory, and clinic use. The total combined project area is 40,300 sf. The following is a summary of each project area:

   Sub-Project A: This project consists of 14,000 sf of minor office renovations in PWB, Floor 1, in unoccupied clinic space. The departments served will be Vascular Surgery, Radiation Oncology, and Gastroenterology. The majority of the existing clinic rooms and spaces will be utilized as is with finish upgrades and minor mechanical, electrical, and plumbing work.

   Sub-Project B: This project will move a laboratory from the basement of MM to 7th floor PWB. It consists of 1,500 sf of minor finish upgrades and mechanical and electrical work to accommodate the relocated laboratory equipment.

   Sub-Project C: This project consists of 2,800 sf of minor office renovations on 6th floor PWB for the Family Medicine Department. This VFW/MM Relocation project will fund the design portion of the project. The Health Sciences Education Center project will fund the construction.

   Sub-Project D: This project will move a laboratory from the second floor of MM to 11th floor Moos. It consists of 1,200 sf of minor finish upgrades and mechanical and electrical work to accommodate the relocated laboratory equipment.

   Sub-Project E: This project will move a laboratory from the second floor of MM to 14th floor Moos. It consists of 5,600 sf of major architectural upgrades, mechanical, electrical, and plumbing work to provide four Class 10,000 / ISO 7 clean rooms, a gowning room, tissue culture rooms, and supplemental lab spaces. Minor office upgrades on the floor are also included.

   Sub-Project F: This project consists moving a portion of the Masonic Clinical Research Unit to 2nd floor of 717. The 800 sf project will construct three new clinical patient rooms with beds and one adjacent toilet facility.
Sub-Project G: This project consists of moving the Lillehei Clinical Research Unit from MM to first floor PWB. The project includes major architectural, mechanical, electrical, and plumbing work to construct a hospital-based clinic, a waiting area, reception area, laboratory spaces, and clinic and patient support areas. The project area is 3,900 sf.

Sub-Project H: This project will construct a new overnight stay clinic on first floor PWB. The 10,500 sf facility includes major architectural, mechanical, electrical, and plumbing work for a hospital-based clinic with a reception area, six patient rooms, staff and researcher touch down spaces, laboratory, and clinic support spaces.

3. **Master Plan or Precinct/District Plan:**
   The project is in compliance with the Twin Cities Campus Master Plan dated March 2009 and the 2016 AHC Strategic Facilities Plan.

4. **Environmental Issues:**
   Identified abatement costs include anticipated mercury and asbestos-containing materials within the buildings. The project budget accounts for the remediation of these materials as currently identified.

5. **Cost Estimate:**
   - Construction Cost $10,783,000
   - Non Construction Cost 2,750,000
   - Total Project Cost $13,533,000

6. **Capital Funding:**
   - Health Science $1,000,000
   - Medical School 1,000,000
   - University Debt 11,533,000
   - Total Capital Funding $13,533,000

7. **Capital Budget Approvals:**
   This project was included on the Under Consideration / Evaluation list in the 2016 Six-Year Plan, however, it was not included in the FY 2017 Annual Capital Budget as the project scope and budget determination were still in process. A Capital Budget Amendment is requested so the project may proceed.

8. **Annual Operating and Maintenance Cost and Source of Revenue:**
   It is anticipated that annual costs for all renovated projects will be similar to current costs. In addition, an annual operating cost savings of $1,770,000 for the demolition of VFW/Masonic buildings will result.
9. Time Schedule:
   Proposed Design Completion: March 2017
   Proposed Substantial Completion: December 2017

10. Project Team
    Design/Build Architect: BWBR
    Design/Build Contractor: MA Mortenson Construction

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

    [Signatures]
    Brooks Jackson, Vice President for Health Sciences
    Brian Burnett, Senior Vice President for Finance and Operations
- VFW and Masonic Memorial Building have been designated “do not invest”
- Current occupants of VFW and Masonic Memorial Cancer Research Center Buildings can be relocated within the Academic Health Center
- Ensures critical research and clinic activities can continue
Schematic Design

Project Description

- Phillips Wangensteen Building
  - 16,800 gsf of office space
  - 1,500 gsf of lab space
  - 14,400 gsf of clinic space
- 717 Delaware Street
  - 800 gsf of clinic space
- Malcolm Moos Tower
  - 6,800 gsf of lab space
### Schematic Design

#### Project Description

- **Cost Estimate**
  - Construction $10,783,000
  - Non-construction $2,750,000
  - **Project Cost** $13,533,000

- **Capital Funding:**
  - Health Sciences $1,000,000
  - Medical School 1,000,000
  - University Debt 11,533,000
  - **Total Approved Project Budget** $13,533,000
Anticipated Completion:
  - December 2017

Estimated Annual Operating Costs:
  - No significant change
  - $1,770,000 reduction for demolition of VFW / Masonic

Project Delivery: Design / Build
  - MA Mortenson Construction
  - BWBR Architects
Schematic Design
Sub-Project A: PWB Floor 1 Offices

SCOPE OF WORK

- Staff
- Staff Support
- Building Support

Legend:
- Lab
- Public
- Patient/Exam
- Clinic Support
Schematic Design
Sub-Project E: Moos Floor 14 Lab Renovation
AGENDA ITEM: Schematic Design

This is a report required by Board policy.

PRESENTERS: Suzanne Smith, Assistant Vice President, Capital Planning and Project Management
Brooks Jackson, Vice President for Health Sciences and Dean of the Medical School

PURPOSE & KEY POINTS

The purpose of this item is to review schematic designs for the following projects:

- AHC Renovation and Relocation Program (Twin Cities campus)
- Health Sciences Education Center (Twin Cities campus)

A project data sheet is included in the docket materials and addresses the basis for request, project scope, cost estimate, funding, and schedule for this project. A map locating the project on the Twin Cities campus is also included.

BACKGROUND INFORMATION

AHC Renovation and Relocation Program

Several Academic Health Center departments and programs remain in the Veterans of Foreign Wars Cancer Research Center (VFW) and the Masonic Memorial (Masonic) Building. The opening of the Clinics and Surgery Center resulted in vacant space in other facilities that can be repurposed for the current occupants of VFW and Masonic. Once the critical research and clinical operations are relocated to renovated space, these two “do not invest” facilities can be demolished. This is in alignment with the University’s Building-by-Building Strategy and the 2016 AHC strategic facilities plan.

Health Sciences Education Center

This project will demolish, renovate, and construct a new 194,300 square foot Health Science Education Center for the Academic Health Center at the current site of the Veterans of Foreign Wars Cancer Research Center (VFW) and the Masonic Memorial (Masonic) Building (to be demolished), and within Phillips-Wagensteen building (partial renovation) on the East Bank of the Twin Cities.
The proposed facility, the new “front door” to the Academic Health Center, will enhance the state’s reputation for innovative research and education, focused on educating and training the state’s health professional workforce.

SENIOR VICE PRESIDENT’S RECOMMENDATION

The Senior Vice President for Finance & Operations recommends approval of schematic design for the projects listed below and of the appropriate administrative officers proceeding with design and construction:

- AHC Renovation and Relocation Program (Twin Cities campus)
- Health Sciences Education Center (Twin Cities campus)
AHC Renovation and Relocation Program
University of Minnesota Twin Cities
Project No. 01-000-17-0309

1. **Basis for Request:**

   There are several Academic Health Center departments and programs remaining in the Veterans of Foreign Wars Cancer Research Center (VFW) and the Masonic Memorial (MM) Building. These two buildings have been designated “do not invest” in the University’s Building-by-Building Strategy. The current occupants must be moved out of the existing buildings prior to demolition and relocated within the Academic Health Center to ensure that critical research and clinical operations can continue.

2. **Scope of Project:**

   The project will renovate eight distinct sub-project areas in three building locations: Phillips Wangensteen Building (PWB), Moos Tower (Moos), and 717 Delaware (717) for office, laboratory, and clinic use. The total combined project area is 40,300 sf. The following is a summary of each project area:

   **Sub-Project A:** This project consists of 14,000 sf of minor office renovations in PWB, Floor 1, in unoccupied clinic space. The departments served will be Vascular Surgery, Radiation Oncology, and Gastroenterology. The majority of the existing clinic rooms and spaces will be utilized as is with finish upgrades and minor mechanical, electrical, and plumbing work.

   **Sub-Project B:** This project will move a laboratory from the basement of MM to 7th floor PWB. It consists of 1,500 sf of minor finish upgrades and mechanical and electrical work to accommodate the relocated laboratory equipment.

   **Sub-Project C:** This project consists of 2,800 sf of minor office renovations on 6th floor PWB for the Family Medicine Department. This VFW/MM Relocation project will fund the design portion of the project. The Health Sciences Education Center project will fund the construction.

   **Sub-Project D:** This project will move a laboratory from the second floor of MM to 11th floor Moos. It consists of 1,200 sf of minor finish upgrades and mechanical and electrical work to accommodate the relocated laboratory equipment.

   **Sub-Project E:** This project will move a laboratory from the second floor of MM to 14th floor Moos. It consists of 5,600 sf of major architectural upgrades, mechanical, electrical, and plumbing work to provide four Class 10,000 / ISO 7 clean rooms, a gowning room, tissue culture rooms, and supplemental lab spaces. Minor office upgrades on the floor are also included.

   **Sub-Project F:** This project consists moving a portion of the Masonic Clinical Research Unit to 2nd floor of 717. The 800 sf project will construct three new clinical patient rooms with beds and one adjacent toilet facility.
Sub-Project G: This project consists of moving the Lillehei Clinical Research Unit from MM to first floor PWB. The project includes major architectural, mechanical, electrical, and plumbing work to construct a hospital-based clinic, a waiting area, reception area, laboratory spaces, and clinic and patient support areas. The project area is 3,900 sf.

Sub-Project H: This project will construct a new overnight stay clinic on first floor PWB. The 10,500 sf facility includes major architectural, mechanical, electrical, and plumbing work for a hospital-based clinic with a reception area, six patient rooms, staff and researcher touch down spaces, laboratory, and clinic support spaces.

3. **Master Plan or Precinct/District Plan:**
   The project is in compliance with the Twin Cities Campus Master Plan dated March 2009 and the 2016 AHC Strategic Facilities Plan.

4. **Environmental Issues:**
   Identified abatement costs include anticipated mercury and asbestos-containing materials within the buildings. The project budget accounts for the remediation of these materials as currently identified.

5. **Cost Estimate:**
   
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6. **Capital Funding:**
   
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<tr>
<td>Total Capital Funding</td>
<td>$13,533,000</td>
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</table>

7. **Capital Budget Approvals:**
   This project was included on the Under Consideration / Evaluation list in the 2016 Six-Year Plan, however, it was not included in the FY 2017 Annual Capital Budget as the project scope and budget determination were still in process. A Capital Budget Amendment is requested so the project may proceed.

8. **Annual Operating and Maintenance Cost and Source of Revenue:**
   It is anticipated that annual costs for all renovated projects will be similar to current costs. In addition, an annual operating cost savings of $1,770,000 for the demolition of VFW/Masonic buildings will result.
9. Time Schedule:
   Proposed Design Completion: March 2017
   Proposed Substantial Completion: December 2017

10. Project Team
    Design/Build Architect: BWBR
    Design/Build Contractor: MA Mortenson Construction

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

   Brooks Jackson, Vice President for Health Sciences
   Brian Burnett, Senior Vice President for Finance and Operations
Schematic Design
Location Map

Moos Tower
Phillips-Wangensteen Building
VFW / Masonic Memorial (HSEC project demolition)

717 Delaware Building

North
• VFW and Masonic Memorial Building have been designated “do not invest”
• Current occupants of VFW and Masonic Memorial Cancer Research Center Buildings can be relocated within the Academic Health Center
• Ensures critical research and clinic activities can continue
Schematic Design

Project Description

• Phillips Wangensteen Building
  – 16,800 gsf of office space
  – 1,500 gsf of lab space
  – 14,400 gsf of clinic space
• 717 Delaware Street
  – 800 gsf of clinic space
• Malcolm Moos Tower
  – 6,800 gsf of lab space
Schematic Design

Project Description

- Cost Estimate
  - Construction $10,783,000
  - Non-construction $2,750,000
  Project Cost $13,533,000

- Capital Funding:
  - Health Sciences $1,000,000
  - Medical School $1,000,000
  - University Debt $11,533,000
  Total Approved Project Budget $13,533,000
Schematic Design

Project Description

- Anticipated Completion:
  - December 2017

- Estimated Annual Operating Costs:
  - No significant change
  - $1,770,000 reduction for demolition of VFW / Masonic

- Project Delivery: Design / Build
  - MA Mortenson Construction
  - BWBR Architects
Schematic Design
Sub-Project A: PWB Floor 1 Offices
Schematic Design
Sub-Project B: PWB Floor 7 Lab Renovation

SCOPE OF WORK

- STAFF
- STAFF SUPPORT
- BUILDING SUPPORT
- LAB
- PUBLIC
- PATIENT/EXAM
- CLINIC SUPPORT
1. **Basis for Request:**

The Academic Health Center (AHC) is one of the most comprehensive health sciences centers in the nation, comprised of six schools with 6,200 students in 60 programs. Approximately 70% of all health professionals working in Minnesota are trained at the University of Minnesota. The proposed Health Sciences Education Center (Center) will support new national accreditation and curriculum standards that promote team-based care and prepare the future health care workforce by introducing them to the latest health discoveries, technologies and methods. Additionally, the Center will enhance the state’s reputation for innovative research and education focused on educating and training the state’s health professional workforce. The Center will be used by all schools within the Academic Health Center.

2. **Scope of Project:**

The Center will become the new “front door” to the AHC and is located within the AHC district at the current site of the Veterans of Foreign War (VFW) and Masonic Memorial (Masonic) buildings on the Twin Cities East Bank Campus. Both VFW and Masonic will be demolished as a part of this project. The project consists of constructing a new, approximately 142,100 gross square foot, five-story building which will be connected to the existing Phillips-Wangensteen Building (PWB). Approximately 52,200 gross square feet in PWB (Levels 2, 3, 5) will also be renovated to accommodate the program. The total project incorporates 194,300 gross square feet of active learning classrooms, simulation, knowledge management (library), student services, student study spaces, inter-professional lounge, event space, and a café.

3. **Master Plan:**

The project is in compliance with the Twin Cities Campus Master Plan, dated March 2009, and the AHC 2016 Strategic Facilities Plan.

4. **Environmental Issues:**

Identified remediation costs include the hazardous materials abatement of VFW, Masonic, and within the renovated areas of Phillips-Wangensteen buildings. The project budget accounts for the remediation as currently identified.

5. **Cost Estimate:**

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6. **Capital Funding:**
   - Reallocated Bond Proceeds Authorized by State $ 8,630,000
   - State of MN Debt (2017 State Request) 66,700,000
   - University Debt 33,300,000
   - **Total Capital Funding** $108,630,000

7. **Capital Budget Approvals:**
   This project was approved, in the amount of $10,000,000 for design of HSEC and planning for a new clinical research facility, in the FY 2016 Annual Capital Budget at the June 2015 Regents meeting. The construction funding is part of 2017 State Capital Request.

8. **Annual Operating and Maintenance Cost:**
   It is anticipated that the annual operating cost for the new construction is approximately $959,000. This cost is offset by an annual operating cost savings of $1,770,000 for the demolition of VFW/Masonic buildings.

9. **Time Schedule:**
   - Proposed Design Completion November 2017
   - Proposed Substantial Completion* September 2019
   *Assumes 2017 State Appropriation for construction

10. **Project Team:**
    - Architect: Perkins+Will
    - Construction Manager at Risk: JE Dunn Construction

11. **Recommendation:**
    The above described project scope of work, cost, funding, and schedule is appropriate:

    [Signatures]

    Brooks Jackson, Vice President for Health Sciences
    Brian Burnett, Senior Vice President for Finance and Operations
Location Map

Health Sciences Education Center Project Site

North
Project Rationale

- Promote new model of team-based teaching/learning
- Compete for the best students
- Consolidate, update, and expand clinical simulation
- Renew biomedical library as hub for knowledge creation/management
- Demolish “Do Not Invest” buildings
- Backfill vacated space in Phillips-Wangensteen
Project History

- Response to the 2014 Blue Ribbon committee for the University’s Academic Health Center
- Design funds authorized by State, May 2015
- Project included in FY 2016 Capital Budget, approved to enter into Design, June 2015
- Project included in 2016 State Capital Request (no bonding bill)
- Project included in 2017 State Capital Request
- Approved Design plus related renovation and relocation project makes HSEC “shovel ready”
Project Description

• HSEC: 194,300 square feet
  – 142,100 new construction and 52,200 PWB renovation
  – Student services
  – Active learning classrooms
  – Simulation/immersion
  – Study/inter-professional space
  – Renewed biomedical library (non-collections) as hub for knowledge creation/management
  – Café
  – Demolition of VFW/Masonic buildings
Project Description

• Cost Estimate
  – Construction $87,915,000
  – Non-construction 20,715,000
  Total Project Cost $108,630,000

• Capital Funding:
  – Reallocated Bond Proceeds $8,630,000
  – State of MN Debt (2017 State Request) 66,700,000
  – University Debt 33,300,000
  Total Approved Project Budget $108,630,000
**Project Description**

- **Anticipated Completion**
  - September 2019*
    * Pending 2017 State Capital Budget request

- **Estimated Annual Operating Costs**
  - $959,000 new construction
  - ($1,770,000) reduction for demolition

- **Carbon Footprint**
  - 1,098 Metric Tons new construction
  - (18,442) Metric Tons reduction for demolition

- **Architect**
  - Perkins+Will

- **Construction Manager at Risk**
  - JE Dunn Construction
Concourse (2nd)/ Street (3rd) Floor Plans

Concourse

Street
Fourth/Fifth Floor Plans

Fourth

Fifth
Sixth/Seventh Floor Plans

Sixth

Seventh
Building Exterior
Building Exterior
Building Interior

Existing
Building Interior
AGENDA ITEM: The Internet of Things in University Operations

☐ Review  ☐ Review + Action  ☐ Action  ☑ Discussion

☐ This is a report required by Board policy.

PRESENTERS: Bernard Gulachek, Interim Vice President & CIO
Kemal Badur, Senior Director, OIT Infrastructure and Operations
Craig Bellows, Building Controls Supervisor, Energy Management
Jeffrey Davis, Assistant Director, Energy Management
Derek Meier, Security Architect, University Information Security

PURPOSE & KEY POINTS

Ever-shrinking computers and ubiquitous networks have made it possible to embed interconnected computers into everyday objects, forming the Internet of Things (IoT.) The purpose of this item is to discuss the impact of IoT on the University.

IoT technologies are used in a wide variety of areas:

- Consumer devices such as refrigerators, thermostats, etc.
- Industrial or enterprise devices used in building controls and energy management.
- Research applications in sensors, drones, etc.

The University has deployed network-enabled devices in its building and industrial systems for over 20 years. Even though these devices predate the current wave of IoT devices, they serve the same purpose and have enabled the institution to provide critical services to the University community and better manage its resources. The pace of innovation has accelerated and the University anticipates new demands from the University community and new opportunities from industry partners in the “enterprise” IoT space.

With these new demands, the University will face new challenges. The huge increase in the number of devices will place additional requirements on the network infrastructure. The amount of data these devices gather will necessitate new approaches to storage and analysis. The huge diversity of devices and traffic has the potential to create security vulnerabilities if not effectively managed.

With the network upgrade underway, many of these challenges have been anticipated and the administration is confident that the network’s design will prove robust enough to deal with the increased volume of traffic and devices. Investments in the cybersecurity features of the network
will ensure that the institution will not only be able to monitor the activity of connected devices and systems but also prevent malicious activity from the outside world targeting University systems.

BACKGROUND INFORMATION

The Facilities, Planning, & Operations Committee has received the following briefing related to networking and cybersecurity:

- February 2016: Optimizing Our Physical Assets: Network Infrastructure Refresh and Issues Related to Cybersecurity
The Internet of Things in University Operations

Board of Regents Facilities, Planning, and Operations Committee
February 9, 2017
Overview

- What is the Internet of Things (IoT)?
- Enterprise IoT versus consumer IoT
- IoT in University operations
- Challenges
- Preparing for the future
- Discussion
What is the Internet of Things?

1985

2010

2015
What is the Internet of Things?
Enterprise vs. Commercial “IoT”

Wireless
- Laptop Access
- Tablet Access
- Smart Phone Access
- Desktop Access

Inside Intranet
- Control Vendors
- Servers
- Energy Servers

Outside Internet
- Firewall

Energy Intranet
- Approximately 1,000 BACnet Supervisory Controllers

Controls Vendor A
- Controls Vendor B
- Controls Vendor C
- Controls Vendor D

Energy Meter Communication
- Fire Central Station Communication

Energy Sub LANs
- Approximately 10,000 Devices on 1200 Sub LANs

Energy Device Level
- Approximately 750,000 Devices/Objects

Energy Sub LANs
- Fans
- Pumps
- Sensors
- Chillers
- Energy Meters
- Fire Detection
Operations and Security

Public Safety Emergency Communications Center
### 01/25/2017 12:34:19AM

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<td></td>
<td></td>
<td></td>
<td>Never = fault</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11-08-2016 09:47:37 = normal</td>
<td></td>
</tr>
</tbody>
</table>
Energy Management

Lions Research Building/McGuire Translational Research Facility

174 TRF
North West District
2001 6th St. SE
Year Built: 1991
Gross Square Footage: 152,298
Building Type: Office & Research Building

Projected Costs

$ 44 Per Hour
$ 31,755 Per Month

Projected CO2 Emissions
1,118 Lbs Per Hour
403 Tons Per Month
### Future Development: Fault Detection

#### # EVENTS

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
</tr>
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<tbody>
<tr>
<td># EVENTS</td>
<td>16,708</td>
<td>16,699</td>
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#### DAILY EVENTS

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<th>Week</th>
<th>Mon</th>
<th>Tue</th>
<th>Wed</th>
<th>Thu</th>
<th>Fri</th>
<th>Sat</th>
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<td>723</td>
<td>769</td>
<td>872</td>
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<td>257</td>
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<td>690</td>
<td>931</td>
<td>863</td>
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<td>590</td>
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<td>161</td>
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<td>596</td>
<td>592</td>
<td>542</td>
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#### QUANTITY vs VARIETY by SYSTEM

![Graph showing system events]

#### TOP SYSTEMS

<table>
<thead>
<tr>
<th>System</th>
<th>Event Count</th>
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<tbody>
<tr>
<td>BLDG 170 VAV-1A31</td>
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<tr>
<td>BLDG 170 VAV-1A32</td>
<td>1235</td>
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<tr>
<td>BLDG 170 VAV-4A31</td>
<td>1236</td>
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</table>

#### TOP EVENT RULES

- VAV Starved AirFlow Fault
- VAV Temp 1 deg Off Setpoint Fault
- VAV High Zone Temperature Fault
- AHU DAT Temp > or < 15% from setpoint
- VAV Static Pressure Fault
- VAV Too Much Air Fault
- VAV RH Valve 100% Fault
- AHU Cooling Coil 100% Open
- AHU Not Fully Recirculating
- VAV Setpoint Outside of Comfort Limits
Challenges: Networking

Growth of IPv6 network address

Native: 9.11%  6to4/Teredo: 0.01%  Total IPv6: 9.11%  | Dec 28, 2015
Challenges: Networking

Radio Frequency concerns
Challenges: Security and Privacy
What are we doing to prepare for the future?

Next Generation Network
What are we doing to prepare for the future?

Controls Product Testing and Development
AGENDA ITEM: Consent Report

☐ Review       ☑ Review + Action       ☐ Action       ☐ Discussion

This is a report required by Board policy.

PRESENTERS: Michael Berthelsen, Interim Vice President, University Services
            Susan Carlson Weinberg, Director of Real Estate

PURPOSE & KEY POINTS

The purpose of this item is to review and take action on the following real estate transactions:

A. Amendment to Lease to Extend the Term an Additional 5 Years, First Floor, 1100 Washington Avenue South, Minneapolis (Twin Cities Campus)
B. Amendment to Lease to Extend the Term an Additional 5 Years, Second Floor, 1100 Washington Avenue South, Minneapolis (Twin Cities Campus)
C. Amendment to 99-Year Lease to Include Lecture Hall in Leased Premises, 801 16th Avenue NE, Austin (Hormel Institute)

A transaction data sheet for each transaction is included in the docket and outlines the terms of the lease amendments.

BACKGROUND INFORMATION

Board of Regents Policy: Reservation and Delegation of Authority states that “the Board reserves to itself authority to approve the purchase or sale of real property with a value greater than $1,250,000, or larger than ten (10) acres,” and “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 $1,250,000, consistent with Board policies.”

PRESIDENT’S RECOMMENDATION

The President recommends approval of the Consent Report.
FIVE-YEAR LEASE EXTENSION
FIRST FLOOR, 1100 WASHINGTON AVENUE SOUTH
MINNEAPOLIS
(TWIN CITIES CAMPUS)

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute an amendment to extend for 5 years, with two successive three-year renewal options thereafter, the lease for the first floor of the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, Minnesota.

2. Description of Leased Premises

The leased premises consist of the first floor (one of two floors), 19,318 rentable square feet (RSF) of office space, in the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, together with shared use of the adjacent parking lot consisting of 110 spaces with the lessee of the second floor of the Minnesota Technology Center (currently the University), Monday through Friday, to 4:30 pm.

3. Basis for Request

The University has leased the first floor at 1100 Washington Avenue South since 1990. The College of Education and Human Development (CEHD) has occupied the first floor office space since 2015 for its Institute for Children’s Mental Health and Development.

4. Details of Transaction

The current lease will expire July 31, 2017. The subject amendment will continue the lease for a five-year period, through July 31, 2022, with two successive three-year renewal options thereafter (potentially continuing the lease through July 31, 2028).

Parking and Transportation Services issues contracts to University employees for parking in the adjacent parking lot and manages the parking lot, Monday through Friday, until 4:30 pm. That arrangement will continue as long as the University leases both the first and second floors at 1100 Washington Avenue South. The landlord has use of the parking lot after 4:30 pm, Monday through Friday, and on weekends for special event parking. Parking revenues are shared by the landlord and the University.
5. Lease Costs

The gross rent (including utilities, custodial services, and all other maintenance and operating costs) for the leased premises is fixed throughout the five year extended term at $26.05 per rentable square foot, or $503,234 per year. The total cost of this lease over the 5-year extended term is $2,516,170. Gross rent in the first year of the first renewal option will be $512,893, and will increase approximately 2% annually throughout the remaining renewal terms.

6. Source of Funds

All costs related to this lease will be paid with Central Funds.

7. Recommendations

The above-described real estate transaction is appropriate:

Karen Hanson, Executive Vice President and Provost

Brian Burnett, Senior Vice President for Finance and Operations
Lease Amendment for University of Minnesota College of Education and Human Development, First Floor of 1100 Washington Avenue South
Minneapolis, Minnesota

This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Sources: Real Estate Office, Metropolitan Council, City of Minneapolis
FIVE-YEAR LEASE EXTENSION
SECOND FLOOR, 1100 WASHINGTON AVENUE SOUTH
MINNEAPOLIS
(TWIN CITIES CAMPUS)

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute an amendment to extend for 5 years, with two successive three-year renewal options thereafter, the lease for the second floor of the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, Minnesota.

2. Description of Leased Premises

The leased premises consist of the second floor (one of two floors), 20,484 rentable square feet (RSF) of office space, in the Minnesota Technology Center located at 1100 Washington Avenue South, Minneapolis, together with shared use of the adjacent parking lot consisting of 110 spaces with the lessee of the first floor of the Minnesota Technology Center (currently the University), Monday through Friday, to 4:30 pm.

3. Basis for Request

The University has leased the second floor at 1100 Washington Avenue South since 1990 to provide research space for the School of Public Health’s Epidemiology Clinical Research Center. Approximately 60 researchers, principal investigators, clinic research study staff, research nurses, and other specialists are housed on the second floor and see approximately 500 research participants each month.

4. Details of Transaction

The current lease will expire July 31, 2017. The subject amendment will continue the lease for a five-year period, through July 31, 2022, with two successive three-year renewal options thereafter (potentially continuing the lease through July 31, 2028). The landlord is Physicians and Surgeons Capital Corporation.

Parking and Transportation Services issues contracts to University employees for parking in the adjacent parking lot and manages the parking lot, Monday through Friday, until 4:30 pm. That arrangement will continue as long as the University leases both the first and second floors at 1100 Washington Avenue South. The landlord has use of the parking lot after 4:30 pm,
Monday through Friday, and on weekends for special event parking. Parking revenues are shared by the landlord and the University.

5. Lease Costs

The gross rent (including utilities, custodial services, and all other maintenance and operating costs) for the leased premises is fixed throughout the initial 5-year term at $26.05 per rentable square foot, or $533,608 per year. The total cost of this lease over the 5-year extended term is $2,668,041. Gross rent in the first year of the first renewal option will be $543,850, and will increase approximately 2% annually throughout the remaining renewal terms.

6. Source of Funds

All costs related to this lease will be paid with Central Funds.

7. Recommendations

The above-described real estate transaction is appropriate:

Brooks Jackson, Vice President for Health Sciences

Brian Burnett, Senior Vice President for Finance and Operations
Lease Amendment for University of Minnesota School of Public Health, Second Floor of 1100 Washington Avenue South Minneapolis, Minnesota

This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Sources: Real Estate Office, Metropolitan Council, City of Minneapolis
AMENDMENT TO 99-YEAR LEASE 
AND AMENDMENT TO 20-YEAR SUBLEASE 
AT 801 16TH AVENUE NE, AUSTIN 
(VICE PRESIDENT FOR RESEARCH/HORMEL INSTITUTE)

1. **Recommended Action**

The President recommends that the appropriate administrative officers receive authorization to execute (a) an amendment to the Hormel Institute’s 99-year lease to include in the Leased Premises the newly constructed auditorium with related Base Rent adjustment; and (b) an amendment to the Hormel Institute’s 20-year sublease for the research space addition to document the Base Rent for the building addition and 167-car parking lot; all at 801 16th Avenue NE, Austin.

2. **Description of Premises**

   (a) The Leased Premises for the Hormel Institute’s lease at 801 16th Avenue NE, Austin, currently consist of 41,474 square feet of laboratory, laboratory support, and office space situated on 4.38 acres of land, and will be expanded to include the newly constructed Auditorium (The Live Learning Center), consisting of 8,904 useable square feet.

   (b) The Subleased Premises for the Hormel Institute’s sublease at 801 16th Avenue NE, Austin consist of 1.5 acres of land, the new building addition situated thereon totaling 32,930 useable square feet of research, research support and office space, and a 167-car parking lot.

3. **Basis for Request**

   On November 30, 1942, the Hormel Foundation and the University entered into a Memorandum of Agreement to recognize that the University established the Hormel Institute as a unit of the University’s Graduate School at the Hormel Foundation’s request and in response to the Foundation’s interest in supporting research and education to be conducted by the Institute. A number of agreements followed throughout the years which provided, among other things, for the University’s use of real estate owned by the Hormel Foundation in Austin for operation of the Hormel Institute.

   The University’s current 99-year lease for the Hormel Institute commenced July 1, 2011 and covers 41,474 square feet of building space and the underlying 4.38 acres at 801 16th Avenue NE, Austin. The Hormel Foundation recently completed the construction of an 8,904 square foot addition to the building, consisting of a 250-seat auditorium and a multifunction room with state-of-the-art technology. The University contributed $1.5
million to the auditorium addition project, and will receive a credit in that amount applied to the University’s initial payments of Base Rent for the 8,904 square feet.

The University’s 20-year sublease for the 32,930 square foot research space addition (owned by Austin Port Authority, leased to the Hormel Foundation, and then subleased to the University) commenced September 3, 2014, and potentially continues until one day prior to the expiration date of the Hormel Foundation to Austin Port Authority ground lease for the research space addition. The lease and sublease transaction for the research space addition was required because the $27 million project was funded by $13.5 million in State Bonds to the Austin Port Authority and $13.5 million from the Hormel Foundation. The parties now desire that the Base Rent for the 32,930 square foot research space addition reflect 100% of the total annual depreciation expenses for the construction costs for the 32,930 square foot addition and parking area.

4. Details of Transaction

The amendment to the University’s lease for the Hormel Institute will add 8,904 square feet to the Leased Premises as of June 1, 2016, the completion date for construction of the auditorium addition. The Leased Premises will then consist of 50,378 square feet of building space situated on 4.38 acres for use by the Hormel Institute for biomedical and biotechnology research.

The amendment to the 20-year sublease to document the Base Rent for the 32,930 square foot research space addition situated on 1.5 acres, and the 167 car parking lot, will be effective April 1, 2016, the completion date for construction of the research space addition and commencement of use by the Hormel Institute for biomedical and biotechnology research.

5. Lease Costs

The rent credit of $1.5 million for the University’s contribution to the auditorium construction project delays payment of Base Rent attributable on the 8,904 useable square foot auditorium addition until September 1, 2023. Effective September 1, 2023, Base Rent for the auditorium addition will be $12,094.87 per month, or $145,138 per year, and will decline annually thereafter in accordance with a depreciation schedule for the auditorium addition construction costs through May 2056. As of June 1, 2056, the Base Rent for the auditorium addition will be $1.00. The University will also pay all operating costs for the auditorium addition, including building insurance, property taxes, and special assessments and/or payments in lieu thereof. The operating costs for the auditorium addition are estimated at $15.69 per useable square foot, or approximately $139,704 per year for 2016.

The Base Rent for the research space addition, reflecting the construction costs for the 32,390 square feet, is $64,508.45 per month, or $774,101 per year, commences April 1, 2016 and declines annually thereafter in accordance with a building’s 40-year
depreciation schedule. If the sublease is extended in accordance with the renewal options contained in the sublease, the Base Rent for the Subleased Premises will be $1.00 effective April 1, 2056. The University will also pay all operating costs for the Subleased Premises, including building insurance, property taxes, and special assessments and/or payments in lieu thereof. The operating costs for the Subleased Premises are estimated at $15.69 per useable square foot or approximately $508,199 per year at commencement of the amendment.

6. **Source of Funds**

Funds provided by the Hormel Foundation, together with other resources available to the Hormel Institute including, if necessary, Indirect Cost Recovery funds, will cover all University costs related to the subject amendments.

7. **Recommendations**

The above-described real estate transaction is appropriate:

Allen Levine, Interim Vice President for Research

Brian Burnett, Senior Vice President for Finance and Operations
Facilities, Planning & Operations

February 9, 2017

AGENDA ITEM: Information Items

☐ Review ☐ Review + Action ☐ Action ☒ Discussion

☐ This is a report required by Board policy.

PRESENTERS: Michael Berthelsen, Interim Vice President, University Services

PURPOSE & KEY POINTS

To provide an update on the following:

A. Assignment of Ground Lease at 615 Washington Avenue SE, Minneapolis (Twin Cities Campus)
B. 2016 State Capital Appropriations Expenditures Report

BACKGROUND INFORMATION

A. Assignment of Ground Lease at 615 Washington Avenue SE, Minneapolis (Twin Cities Campus)

The Commons Hotel building was sold on December 22, 2016 by RPB Minneapolis LLC. Graduate Minneapolis Owner LLC is the new owner. In conjunction with that sale, the University consented to assignment of the tenant’s interest in the 2.019-acre ground lease for the hotel building as well as the parking agreements for 122 parking spaces (without any amendments).

B. 2016 State Capital Appropriations Expenditures Report

Minnesota Statute 135A.05 requires a report of expenditures on capital projects paid for in the preceding calendar year. This report is due to the commissioner of management and budget by January 15. The report was first forwarded to the Board prior to submission.
UNIVERSITY CONSENT
FOR ASSIGNMENT OF TENANT’S INTEREST IN THE GROUND LEASE
AND PARKING AGREEMENTS
IN CONJUNCTION WITH SALE OF THE COMMONS HOTEL
AT 615 WASHINGTON AVENUE SE, MINNEAPOLIS
(TWIN CITIES CAMPUS)

The Commons Hotel building was sold on December 22, 2016 by RPB Minneapolis LLC. Graduate Minneapolis Owner LLC is the new owner. In conjunction with that sale, the University consented to assignment of the tenant’s interest in the 2.019-acre ground lease for the hotel building as well as the parking agreements for 122 parking spaces (without any amendments). Following renovations by the new owner, which will include the main lobby, common areas, and guest rooms, the hotel will be rebranded as a Graduate Hotel. We understand the new owner expects to complete the renovation project prior to the 2018 Super Bowl, at the latest.

The former owner, RPB Minneapolis LLC had owned the hotel since August 2011. Substantial renovations to the hotel building occurred during RBP Minneapolis’ ownership. (The hotel had been operated as a Radisson Hotel prior to August 2011.) The initial ground lease for the hotel at 615 Washington Avenue SE commenced September 19, 1983.

The purchase of the hotel building by Graduate Minneapolis Owner LLC included the FF&E, other personal property used in operation of the hotel, and the remaining term of the ground lease and parking agreements, which will end December 31, 2061, subject to one ten-year renewal option.

The Graduate Hotel brand was launched by Adventurous Journeys Capital Partners (AJ Capital Partners) in 2014. AJ Capital Partners is a private real estate company based in Chicago. It owns and operates lodging accommodations throughout the United States, the Caribbean, and Mexico. Graduate Hotels are boutique properties located near major universities throughout the United States and feature the unique characteristics of the region and local university community. At this time, there are six Graduate Hotels operating near major university campuses in Madison, WI, Tempe, AZ, Athens, GA, Charlottesville, VA, Oxford, MS, and Ann Arbor, MI. Graduate Hotels in Berkeley, CA, Richmond, VA and Lincoln, NE are scheduled to open in 2017.

Pyramid Hotel Group will manage the hotel for Graduate Minneapolis Owner LLC. Pyramid is an institutional hotel management company with a portfolio of 78 properties, 19,000+ rooms, and over 1.2 million square feet of meeting space. Pyramid is the manager for all Graduate Hotels currently in operation.
Sale of Commons Hotel

- Commons Hotel
- Land leased to hotel
- University Property

TCF Bank Stadium
University of Minnesota

Stadium Village Station
East Bank Station

Northrop Memorial Auditorium
Coffman Memorial Union

Commons Hotel
Sold Dec 22, 2016 by RPB Minneapolis LLC to Graduate Minneapolis Owner LLC

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, UServices GIS
1/23/2017
TO:  Representative Dean Urdahl, Chair, Capital Investment Committee
     Representative Bud Nornes, Chair, Higher Education and Career Readiness Policy and
     Finance Committee
     Representative Jim Knoblach, Chair, Ways and Means Committee
     Senator David Senjem, Chair, Capital Investment Committee
     Senator Julie Rosen, Chair, Finance Committee
     Senator Michelle Fischbach, Chair, Higher Education Finance and Policy Committee
     Commissioner Myron Frans, Minnesota Management and Budget

FROM:  Brian D. Burnett, Senior Vice President

DATE:  January 13, 2017

RE:  Capital Appropriation Expenditure Report

Per Minnesota Statute 135A.046, the University’s annual report of progress on projects funded by the
State of Minnesota through the HEAPR statute is attached. As has been the University’s practice, this
report also provides you information about our progress on all capital projects funded by the State.

We are pleased with the projects that have been completed and the progress toward finishing those
remaining. The financial support provided by the people of the State is critical to the University’s success,
and we are grateful for the funding that has made the work in this report possible.

If you have any specific questions, please call Brian Swanson in University Services finance at 612-625-6665.

cc:  Brian Steeves, Executive Director and Corporate Secretary, University of Minnesota Board of
     Regents
     Michael Berthelsen, Interim Vice President, University Services
University of Minnesota

Capital Appropriations Expenditure Report

In fulfillment of MN 135A.046 subd. 3

January 2017
# Appropriation Status

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<tr>
<th>Year</th>
<th>Full Allocation</th>
<th>% Spent or Encumbered Under Contract</th>
<th>% Spent, Encumbered or Otherwise Obligated to Complete a Project</th>
<th>Comments</th>
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<td>2014</td>
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<td>2015</td>
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<td>96%</td>
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</tr>
<tr>
<td>2016</td>
<td>$ -</td>
<td>na</td>
<td>na</td>
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</table>

**Definitions**

**Allocation:** The State appropriation for each project.

**Spent:** The amount the University has paid to contractors from signed contracts.

**Encumbered:** This includes:

a. Project amount specifically under contract with a general contractor, architect, engineer, or other vendor.
b. Internal project where work has begun and/or internal purchase order/work has been completed.

**Obligated:** Funds required to complete the project that are not yet under contract.

Note: percentages are rounded.
HEAPR Spending Status

<table>
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<th>Year</th>
<th>HEAPR Allocation</th>
<th>% Spent or Encumbered Under Contract</th>
<th>% Spent, Encumbered or Otherwise Obligated to Complete a Project</th>
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<tr>
<td>2016</td>
<td>$ -</td>
<td>na</td>
<td>na</td>
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Definitions

**Allocation:** The State appropriation for each project.

**Spent:** The amount the University has paid to contractors from signed contracts.

**Encumbered:** This includes:
   a. Project amount specifically under contract with a general contractor, architect, engineer, or other vendor.
   b. Internal project where work has begun and/or internal purchase order/work has been completed.

**Obligated:** Funds required to complete the project that are not yet under contract.

Note: percentages are rounded.
### 2015 State Capital Appropriations: Major Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Appropriation Amount</th>
<th>(B) Spent and/or Encumbered</th>
<th>(C) Obligated</th>
<th>(E) (B-C-D)</th>
<th>Status</th>
<th>(H) Comments</th>
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<tr>
<td>MN Poultry Testing Lab-Willmar</td>
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<td>8,523,270.02</td>
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<td>Vet Isolation Facility</td>
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<td>5,729.98</td>
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### Total - 2015 State Capital Appropriations

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Appropriation Amount</th>
<th>(B) Spent and/or Encumbered</th>
<th>(C) Obligated</th>
<th>(E) (B-C-D)</th>
<th>Status</th>
<th>(H) Comments</th>
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<tr>
<td><strong>2014 State Capital Appropriations: Major Projects</strong></td>
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<td>76,309,380.35</td>
<td>(0.00)</td>
<td>557,619.65</td>
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### 2014 State Capital Appropriations: Major Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Appropriation Amount</th>
<th>(B) Spent and/or Encumbered</th>
<th>(C) Obligated</th>
<th>(E) (B-C-D)</th>
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<th>(H) Comments</th>
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<tbody>
<tr>
<td>Tate Science &amp; Teaching Renovation</td>
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<td>56,700,000.00</td>
<td>0.00</td>
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<td>Construction</td>
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<tr>
<td>UMC Lysacker Wellness Rec Ctr Addition/Remodel</td>
<td>10,000,000.00</td>
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<td>(0.00)</td>
<td>494,116.69</td>
<td>Pacloseout</td>
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<td>UMD Chemical Science &amp; Advanced Mat'l's Building</td>
<td>1,500,000.00</td>
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<td>63,502.96</td>
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<tr>
<td><strong>Subtotal - '14 Appropriations: Major Projects</strong></td>
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<td>76,309,380.35</td>
<td>(0.00)</td>
<td>557,619.65</td>
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### Total - 2014 State Capital Appropriations

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<tr>
<th>Project Name</th>
<th>Appropriation Amount</th>
<th>(B) Spent and/or Encumbered</th>
<th>(C) Obligated</th>
<th>(E) (B-C-D)</th>
<th>Status</th>
<th>(H) Comments</th>
</tr>
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<tbody>
<tr>
<td><strong>2014 State Capital Appropriations: HEAPR Projects</strong></td>
<td>42,500,000.00</td>
<td>40,328,162.42</td>
<td>1,850,682.26</td>
<td>321,155.32</td>
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</tbody>
</table>

### 2014 State Capital Appropriations: HEAPR Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Appropriation Amount</th>
<th>(B) Spent and/or Encumbered</th>
<th>(C) Obligated</th>
<th>(E) (B-C-D)</th>
<th>Status</th>
<th>(H) Comments</th>
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<td>105,192.72</td>
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<td>Armory Fire Range Abatement</td>
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<td>2,262,915.06</td>
<td>96,062.67</td>
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<td>43,930.00</td>
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<td>Cedar Creek Projects</td>
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<td>Cloquet Forestry Center Auditorium Lighting Updates</td>
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<td><strong>Subtotal - '14 Appropriations: HEAPR Projects</strong></td>
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<td>1,850,682.26</td>
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</table>

### Total - 2014 State Capital Appropriations

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Appropriation Amount</th>
<th>(B) Spent and/or Encumbered</th>
<th>(C) Obligated</th>
<th>(E) (B-C-D)</th>
<th>Status</th>
<th>(H) Comments</th>
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<tbody>
<tr>
<td><strong>2014 State Capital Appropriations: Major Projects</strong></td>
<td>119,367,000.00</td>
<td>116,637,542.77</td>
<td>1,850,682.26</td>
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## University of Minnesota

### Status Report: Total Capital Appropriations 2011 to 2015

Project 01/31/17 - Definitions on last page

<table>
<thead>
<tr>
<th>(A) Project Name</th>
<th>(B) Appropriation Amount</th>
<th>(C) Spent and/or Encumbered</th>
<th>(D) Obligated</th>
<th>(E) Unencumbered</th>
<th>(F) Status</th>
<th>(G) Estimated Occupancy</th>
<th>(H) Comments</th>
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<td><strong>2012 State Capital Appropriations: HEAPR Projects</strong></td>
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<td>UMM HFA Interior Stairs/Guardrail Upgrades</td>
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<td>64,060,000.00</td>
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<td><strong>2011 State Capital Appropriations: HEAPR Projects</strong></td>
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<td>(0.00)</td>
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<tr>
<td><strong>Total - 2011 State Capital Appropriations</strong></td>
<td>88,833,000.00</td>
<td>88,833,000.00</td>
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<td>(0.00)</td>
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<tr>
<td><strong>Grand Totals - 2011 to 2015</strong></td>
<td>298,789,000.00</td>
<td>294,899,958.95</td>
<td>3,004,536.10</td>
<td>884,504.95</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
### Definitions of columns:

**B. Appropriation Amount:** The state appropriation for each project. Although HEAPR funds are appropriated in a block of funds, they are detailed in this report by the University's allocation.

**C. Spent or Encumbered:** This includes three categories.

- Amount the University has paid to contractors from signed contracts.
- Project amount specifically under contract with a general contractor, architect, engineer, or other vendor.
- Internal project where work has begun and/or internal purchase order/work has been completed.

**D. Obligated:** Funds required to complete the project that are not yet under contract.

**E. Unencumbered:** Contingency funds remaining in the project after the construction phase.

### Definitions of project phases:

- **Programming:** Defining in detail the scope of the project, describing the facility components required to accommodate the academic/operational program, and establishing the functional and physical relationships of those components.
- **Schematic Design Development:** Evaluating alternatives for meeting the project program and establishing the general size, shape, and massing of building elements, exterior finishes; and Design Development criteria for structural, mechanical, and electrical systems.
- **Design Development:** Developing the preliminary Design Development into a detailed Design Development that establishes final floor plans, building elevations, interior and exterior materials, room finishes, building systems, furnishings, and equipment.
- **Construction Documents:** Preparing detailed drawings and specifications required to obtain bids and to describe and direct the construction work.
- **Procurement:** Soliciting bids from contractors for completing the work described in the construction documents.
- **Construction:** Mobilizing of the contractor's equipment, purchasing of building materials, and implementing the work described in the construction documents.
- **Substantial Completion:** Completing work on the project to a point that the Owner can occupy and use the facility for its intended use.
- **Pacloseout:** Making final payments to contractors and vendors, closing all contracts, and preparing the final project accounting.
### Summary of University State Capital Appropriations

#### Total Dollars by Status

<table>
<thead>
<tr>
<th>Year</th>
<th>Major Projects</th>
<th>HEAPR Projects</th>
<th>Subtotal</th>
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<td>2015 Appropriations</td>
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<td>2011 Appropriations</td>
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#### Grand Total: 2011-2015 Appropriations

<table>
<thead>
<tr>
<th>Total Percent by Status</th>
<th>Major Projects</th>
<th>HEAPR and Converted HEAPR Projects Only</th>
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<tbody>
<tr>
<td>2015 Appropriations</td>
<td>26,529,000.00</td>
<td>117,500,000.00</td>
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<td>2014 Appropriations</td>
<td>76,867,000.00</td>
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Grand Total: 2011-2015 Appropriations

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<thead>
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<th>179,571,796.53</th>
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<tr>
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