

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

May 12, 2005

A meeting of the Facilities Committee of the Board of Regents was held on Thursday, May 12, 2005, at 10:15 a.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: Dallas Bohnsack, presiding; Clyde Allen, Frank Berman, John Frobenius, David Metzen, and Lakeesha Ransom.

Staff present: Chancellors Kathryn Martin and Samuel Schuman; Senior Vice President Frank Cerra; Vice Presidents Kathryn Brown and Richard Pfitzenreuter; Executive Director Ann Cieslak; Executive Vice Provost Al Sullivan; Associate Vice Presidents Michael Perkins and Steven Spehn.

Student Representatives present: Cassie McMahon and Tom Zearley.

Regent Bohnsack welcomed Student Representatives Cassie McMahon and Tom Zearley to the committee.

AMENDMENTS TO UNIVERSITY OF MINNESOTA DULUTH MASTER PLAN

Vice President O'Brien reported that the University of Minnesota Duluth first adopted a Master Plan (Plan) in 1986 and since then has reviewed the Plan approximately every five years. She introduced Chancellor Martin, John King, Director of Facilities Management at the Duluth campus, and Tom Oslund of Oslund & Associates to summarize changes to the 2000 Plan.

King reported that a committee of faculty, staff, and students reviewed the 2000 Plan and developed a number of amendments. Oslund & Associates served as consultant. Following that process a number of campus constituencies and the City of Duluth reviewed the amended Plan, which is presented for Board review.

Oslund noted that the amended Plan continues to embrace the original principles of a concentrated academic core and outreach from and access to the campus. The Plan reinforces the regional setting and identifies student housing areas, open space, long-term expansion possibilities, and the campus boundary. Oslund identified several projects completed in recent years and noted a number of upcoming and proposed projects. He summarized amendments to the Plan as provided in the materials distributed at the meeting and on file in the Board Office.

Martin reported on negotiations for the purchase of the Chester Park School property and the significance of the acquisition to the Plan. The property adjoins the campus and its location offers an opportunity to define a more prominent entrance to the campus. Several existing buildings on the property could be used to house a number of independent campus programs or for temporary swing space, though a definite use for the space has not been identified.

The Plan will return for action at a future meeting of the committee.

REAL ESTATE TRANSACTIONS

A. Purchase of 2500 University Avenue SE, Minneapolis with American Cancer Society for Hope Lodge Facility

The committee reviewed a proposal to purchase with the American Cancer Society the property at 2500 University Avenue SE, Minneapolis, Twin Cities campus. The University will pay for \$2,000,000 of the \$2,650,000 purchase price and will own a proportionate share of the property (approximately 75%). Director of Real Estate Susan Carlson Weinberg summarized the location and description of the property, basis for request, and details of the proposed transactions, as included in the docket materials. The property will be leased to the American Cancer Society for the construction and operation of a "Hope Lodge" in which adult cancer patients and their families will reside during medical treatment.

The item will return for action at a future meeting of the committee.

B. Three-Year Lease for 13,469 Square Feet at Court International, 2550 University Avenue, St. Paul for Enterprise Financial Systems Project

The committee reviewed a proposal to execute a three-year lease agreement with Court International LLC for 13,469 square feet at 2550 University Avenue, St. Paul for \$22.37 per square foot, or \$305,328 the first year, with increases of 4% or less annually thereafter. Director of Real Estate Susan Carlson Weinberg summarized the basis of the request, description of facilities and services, details of the transaction, and payment of the lease agreement, as included in the docket materials on file in the Board Office. The property will provide office space for the Enterprise Financial Systems Project.

The item will return for action at a future meeting of the committee.

ISSUES RELATED TO: ANNUAL CAPITAL IMPROVEMENT BUDGET FY2006

Vice President O'Brien and Associate Vice Provost Sullivan presented issues related to the Annual Capital Improvement Budget (Budget) FY2006, which authorizes projects totaling \$240,233,000 to begin design or construction during the next fiscal year.

O'Brien summarized the capital improvement and planning process undertaken to identify potential projects for inclusion in the Budget. Several criteria are considered, including:

- academic priorities;
- the facilities condition assessment;
- financial constraints; and
- the student experience and program analysis.

She summarized several projects included in the 2006 Budget, noting that the plan emphasizes building renewal, enhancing the student experience, and academic program needs.

Sullivan summarized the purpose and elements of the Compact Planning Process, an annual management tool used to identify, align and assess broad University goals and actions, promising new areas of investment, update capital and space plans, and provide a basis for accountability in evaluating performance of administrators.

A lengthy discussion ensued, with committee members stressing the importance of considering long-term financial needs and maintaining the institution's current facilities.

CONSENT REPORT

A motion was made and seconded to recommend approval of the Consent Report as detailed in the docket materials, and including:

- A. Agreements with J Robinson Wrestling Camps LLC for use of University facilities and services for J Robinson Wrestling Camp, July 1-24, 2005.
- B. Agreements with National Sports Center Foundation, Inc. for use of University facilities and services for Schwan's USA Cup Soccer, July 1-25, 2005.

The committee voted unanimously to recommend approval of the Consent Report.

INFORMATION ITEMS

No information items were presented this month.

The meeting adjourned at 11:37 a.m.

ANN D. CIESLAK
Executive Director and
Corporate Secretary