

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities and Operations Committee

Thursday, December 12, 2013

1:30 - 3:30 p.m.

600 McNamara Alumni Center, West Committee Room

Committee Members

Clyde Allen, Chair
Thomas Devine, Vice Chair
Linda Cohen
Dean Johnson
Peggy Lucas
Abdul Omari

Student Representatives

Hannah Keil
Gaolunha Vang

AGENDA

1. Capital Budget Amendment: Nils Hasselmo Hall Core Robotics Lab, Twin Cities Campus - Review/Action - P. Wheelock/S. Smith/S. Crouch (pp. 2-6)
2. Real Estate Transactions - Review/Action - P. Wheelock/A. Friedman/S. Weinberg (pp. 7-18)
 - A. Purchase of Three Parcels from City of Rochester: .62 acre, 601-609 1st Avenue SW and 114 6th Street SW (Rochester Campus)
 - B. Lease Agreements, Guaranty, and Master Agreement for Ambulatory Care Center (Twin Cities campus)
3. Schematic Plans - Review/Action - P. Wheelock/A. Friedman/S. Smith (pp. 19-24)
 - A. Ambulatory Care Center, Twin Cities Campus
4. Ensuring a Safe University - P. Wheelock/G. Hestness/L. Krueger (pp. 25-27)
5. Information Items - P. Wheelock (pp. 28-50)



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Facilities and Operations Committee

December 12, 2013

Agenda Item: Capital Budget Amendment

review review/action action discussion

Presenters: Vice President Pamela Wheelock
Assistant Vice President Suzanne Smith
Dean Steven Crouch, College of Science and Engineering

Purpose:

policy background/context oversight strategic positioning

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, review the FY 2014 Capital Budget Amendment for the following project:

Nils Hasselmo Hall – Core Robotics Lab located on the Twin Cities campus

Outline of Key Points/Policy Issues:

The attached Project Data Sheet addresses the basis for the request, project scope, cost estimate, funding, and schedule. A map locating the project is also attached.

Nils Hasselmo Hall – Core Robotics Lab

The College of Science and Engineering will be consolidating a portion of its research labs on the first floor of Nils Hasselmo Hall (NHH) into space vacated two years ago by the Nuclear Magnetic Resonance facility when it moved to the former Mayo Garage. The Core Robotics Lab is a result of the MnDRIVE initiative to enhance Minnesota's strengths in robotics, sensors, and manufacturing. The project includes 4,300 SF of renovated space that will replace outdated research space in Walter Library, Keller Hall, Smith Hall, and Mechanical Engineering. This project includes the expansion of an existing lab in NHH, minor modifications to the existing floor layout, installation of additional power/voice/data, and modifications to the HVAC, fire sprinkler system, and security card access serving the lab.

Background Information:

Nils Hasselmo Hall – Core Robotics Lab

This project was not included in the FY14 Capital Improvement Budget as the capital budget process preceded the legislative approval of the MnDRIVE initiative. The space need for this project was determined subsequently to the MnDRIVE initiative.

President's Recommendation for Action:

The President recommends approval of the following Capital Budget Amendments:

Nils Hasselmo Hall – Core Robotics Lab

Amend the Fiscal Year 2014 Annual Capital Improvement Budget by \$900,000 to fund the design and construction of the Nils Hasselmo Hall – Core Robotics Lab on the Twin Cities Campus.

**Nils Hasselmo Hall – Core Robotics Lab
Twin Cities Campus
Project No. 01-178-13-2264**

1. Basis for Request:

The College of Science and Engineering (CSE) will be consolidating a portion of their research labs for the Core Robotic Lab onto 1st floor of Nils Hasselmo Hall into space vacated by the Nuclear Magnetic Resonance (NMR) facility when they moved to the former Mayo Garage. The Core Robotics Lab renovation will replace outdated research space in Walter Library, Keller Hall, Smith Hall, and Mechanical Engineering.

A robot manufacturing and repair facility is currently located in Room 35 in Smith Hall. This facility co-exists in a very suboptimum and inadequate sharing of the space with an operational and testing robotics research operation. One project example involves flying small UAVs. The low ceiling and exposed pipes in Room 35 Smith Hall place serious limitations on such research. The facility, which is packed with equipment and research students, also presents safety issues.

The Minnesota Discovery, Research, and InnoVation Economy (MnDRIVE) initiative on Robotics, Sensors, and Manufacturing presents an unprecedented opportunity for the University to expand the scope and level of excellence of research, education and outreach in robotics and manufacturing. New faculty are being recruited and partnerships with several sectors of Minnesota industry, ranging from advanced manufacturing to agriculture, are being developed. There is an obvious and critical need for a core facility that is safe, flexible, and has high ceilings for robotics system development and repair; for robotics, manufacturing, and sensors experimentation; and for showcasing the University's work in these areas to students and external constituents.

2. Scope of Project:

The Core Robotics Lab will be a 4,300 SF renovation in Nils Hasselmo Hall that will replace outdated research space in Walter Library, Keller Hall, Smith Hall, and Mechanical Engineering. This project includes the expansion of an existing lab in NHH, minor modifications to the existing floor layout, installation of additional power/voice/data, and modifications to the HVAC, fire sprinkler system, and security card access serving the lab.

3. Master Plan or Precinct/District Plan:

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

4. Environmental Issues:

There are no known environmental issues associated with the renovation of this facility.

5. Cost Estimate:

Construction Cost	\$759,000
Non-Construction Cost	\$141,000
<hr/>	
Total Project Cost	\$900,000

6. Capital Funding:

<u>MnDRIVE Funding</u>	<u>\$900,000</u>
Total Project Funds	\$900,000

7. Capital Budget Approvals:

This project was not included in the FY14 Capital Improvement Budget as the capital budget process preceded the legislative approval of the MnDRIVE initiative and the space need for this project was determined subsequently to the MnDRIVE initiative. Therefore, a Capital Budget Amendment is requested.

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

It is anticipated there will be no significant change in operating costs for the building.

9. Time Schedule:

Design completion	January 2013
Construction completion	June 2014

10. Architect / Contractor:

Architect: Architectural Alliance – Minneapolis, MN
 Contractor: To be determined

11. Recommendation:

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

Steven L. Crouch 11/26/13
 Steven Crouch, Dean of College of Science and Engineering

Richard Plutzenreuter 11/27/13
 Richard Plutzenreuter, Vice President and Chief Financial Officer

Pam Wheelock 11/26/13
 Pam Wheelock, Vice President University Services



**Hasselmo Hall – Core Robotics Lab,
Twin Cities Campus**



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Facilities and Operations Committee

December 12, 2013

Agenda Item: Real Estate Transactions

review review/action action discussion

Presenters: Vice President Pamela Wheelock
Vice President Aaron Friedman
Susan Carlson Weinberg, Director of Real Estate

Purpose:

policy background/context oversight strategic positioning

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, review and approve the following Real Estate Transactions:

- A. Purchase of Three Parcels from City of Rochester: 0.62 Acre, 601-609 1st Avenue SW and 114 6th Street SW, Rochester (Rochester Campus)
- B. Lease Agreements, Guaranty, and Master Agreement for Ambulatory Care Center (Twin Cities Campus)

Outline of Key Points/Policy Issues:

- A. *Purchase of Three Parcels from City of Rochester: 0.62 Acre, 601-609 1st Avenue SW and 114 6th Street SW, Rochester (Rochester Campus)*

The City of Rochester will be conveying to the University the property at 601-609 1st Avenue SW and 114 6th Street SW, Rochester, a total of 0.62 acre of land. Sales tax revenue collected by the City of Rochester for higher education facilities in Rochester and committed to the University of Minnesota Rochester will be used to compensate the City of Rochester for its costs in acquiring these parcels and demolishing buildings, a total of \$1.32 million.

Additional details of these transactions and their financial impact are described in the transaction information pages immediately following this document.

- B. *Lease Agreements, Guaranty, and Master Agreement for Ambulatory Care Center (Twin Cities Campus)*

The University will execute two 30-year leases and a parking facility agreement with two tenants, Fairview Health Services (Fairview) and a new 501(c)(3) entity (Newco) created by University of Minnesota Physicians (UMP) and Fairview, that would collectively cover all building space in the Ambulatory Care Center (ACC) to be constructed by the University on Block 12, Baker's Addition (bounded by Ontario, Essex, Erie, and Fulton Streets SE, Minneapolis), and up to 100 reserved parking spaces in Lot C73, a surface parking lot to be

constructed on the University-owned portion (approximately southerly two-thirds) of Block 11, Baker's Addition (immediately west of Block 12), and up to 400 reserved parking spaces in the Oak Street Parking Ramp.

The two tenants will pay rent on the leases that reflects the cost of debt service for the construction of the ACC, approximately 330,600 gross square feet or 247,000 assignable square feet, as well as all building operating, maintenance, and capital costs. The rent to be paid on the parking facility agreement will reflect the monthly parking contract fee per space paid by faculty and staff.

UMP and Fairview will execute guaranties to guaranty payment of the debt to be issued by the University for the ACC project.

The Master Agreement among UMP, Fairview, and the University will establish the overall framework for the management and operations of the ACC, including goals for the ACC, academic commitments, business model and term.

Background Information:

Board of Regents Policy: *Reservation and Delegation of Authority* states that "The Board reserves to itself authority to approve 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" and "the legal structure and scope of any relationship between the University and any associated organization, non-profit corporation, foundation, institute, or similar entity that substantially relies upon University resources or personnel to carry out its mission."

President's Recommendation for Action:

The President recommends approval of the following Real Estate Transactions:

- A. Purchase of Three Parcels from City of Rochester: 0.62 Acre, 601-609 1st Avenue SW and 114 6th Street SW, Rochester (Rochester Campus)
- B. Lease Agreements, Guaranty, and Master Agreement for Ambulatory Care Center (Twin Cities Campus)

**PURCHASE OF 114 SIXTH STREET SW AND
601-609 FIRST AVENUE SW, ROCHESTER
(ROCHESTER CAMPUS)**

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute the appropriate documents providing for the purchase of 114 Sixth Street SW and 601-609 First Avenue SW, Rochester.

2. Location and Description of the Properties

The subject properties are located within the area designated for future development of the Rochester Campus, across Broadway Avenue South from the Zumbro River (see attached map).

The properties are vacant land except for a cell tower which will be removed by the seller prior to closing. The properties total .623 acre.

The legal description of the properties:

Parcel 30 feet by 134 feet located east of the northwest corner of Block 107;
Parts of Lots 4 and 5, Block 107; and
The South 24.5 feet of the North 158.5 feet of the East ½ of Block 107;

All in Willson's Addition to the City of Rochester, Olmsted County, Minnesota.

3. Basis for Request

The subject properties will be purchased for future development of the Rochester Campus.

4. Details of Transaction

The owner of the properties is the City of Rochester. The purchase price will be \$1.32 million, which reflects the City of Rochester's costs to acquire and hold the properties until acquisition by the University and demolish improvements. Closing is scheduled to occur on or before January 31, 2014.

5. Use of Properties

The properties will remain vacant until such time as the University begins development of the Rochester Campus.

6. Environmental

The University has completed a Phase I environmental site assessment of the property confirming acceptable environmental condition.

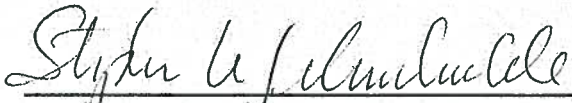
7. Source of Funding

The payment of the purchase price for the properties will be completed as a non-cash transaction. The City of Rochester will deduct the \$1.32 million purchase price from the \$14 million in Sales Tax proceeds approved by voter referendum on November 6, 2012 and dedicated to finance the cost of acquisition and betterment of University of Minnesota Rochester academic and complementary facilities.

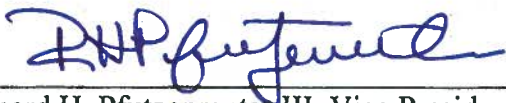
The University's share of typical closing costs (title commitment, title insurance, ALTA/ACSM survey, etc.) will be paid with University funds.

8. Recommendations

The above-described real estate transaction is appropriate:

 10-26-13

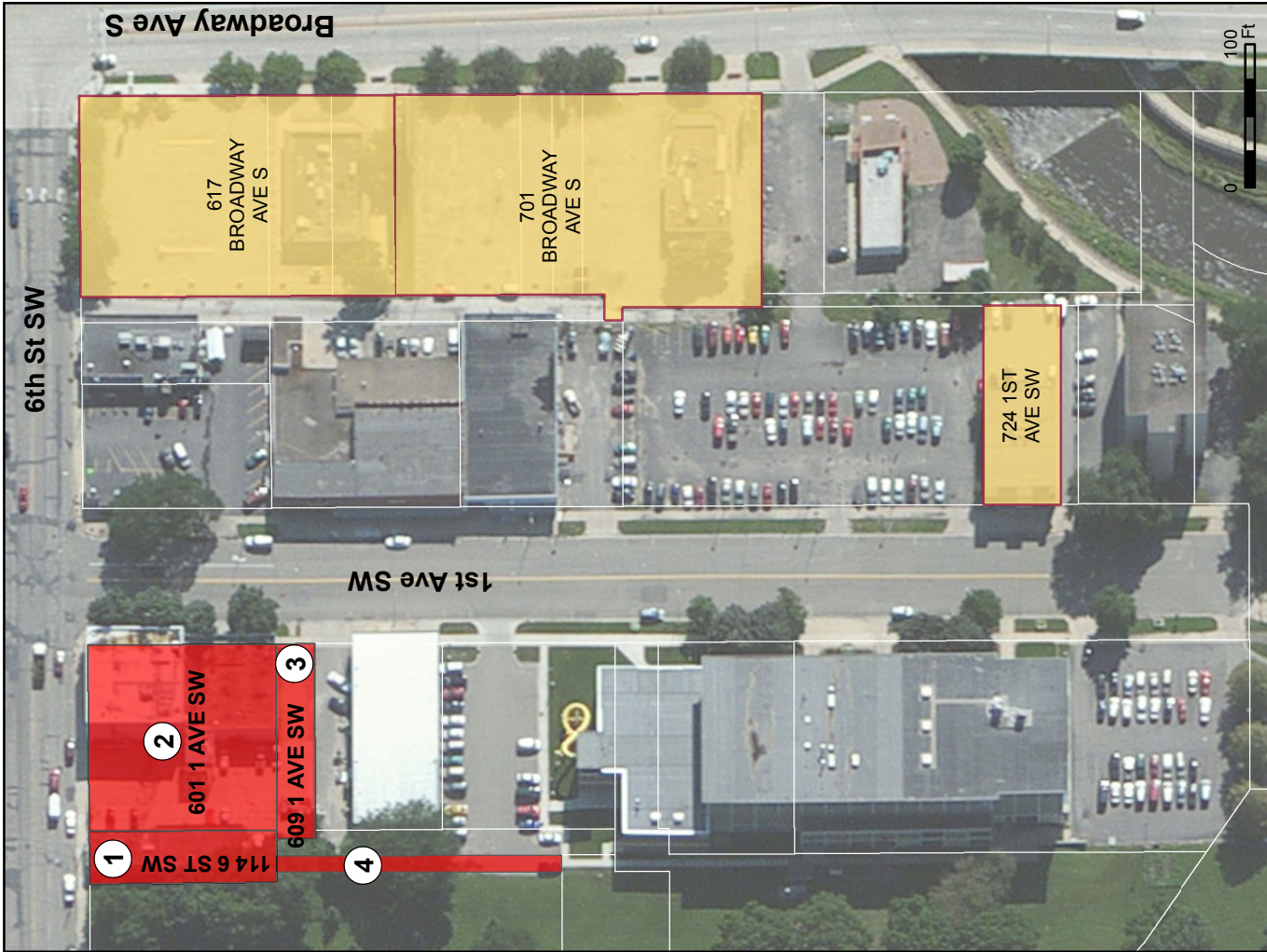
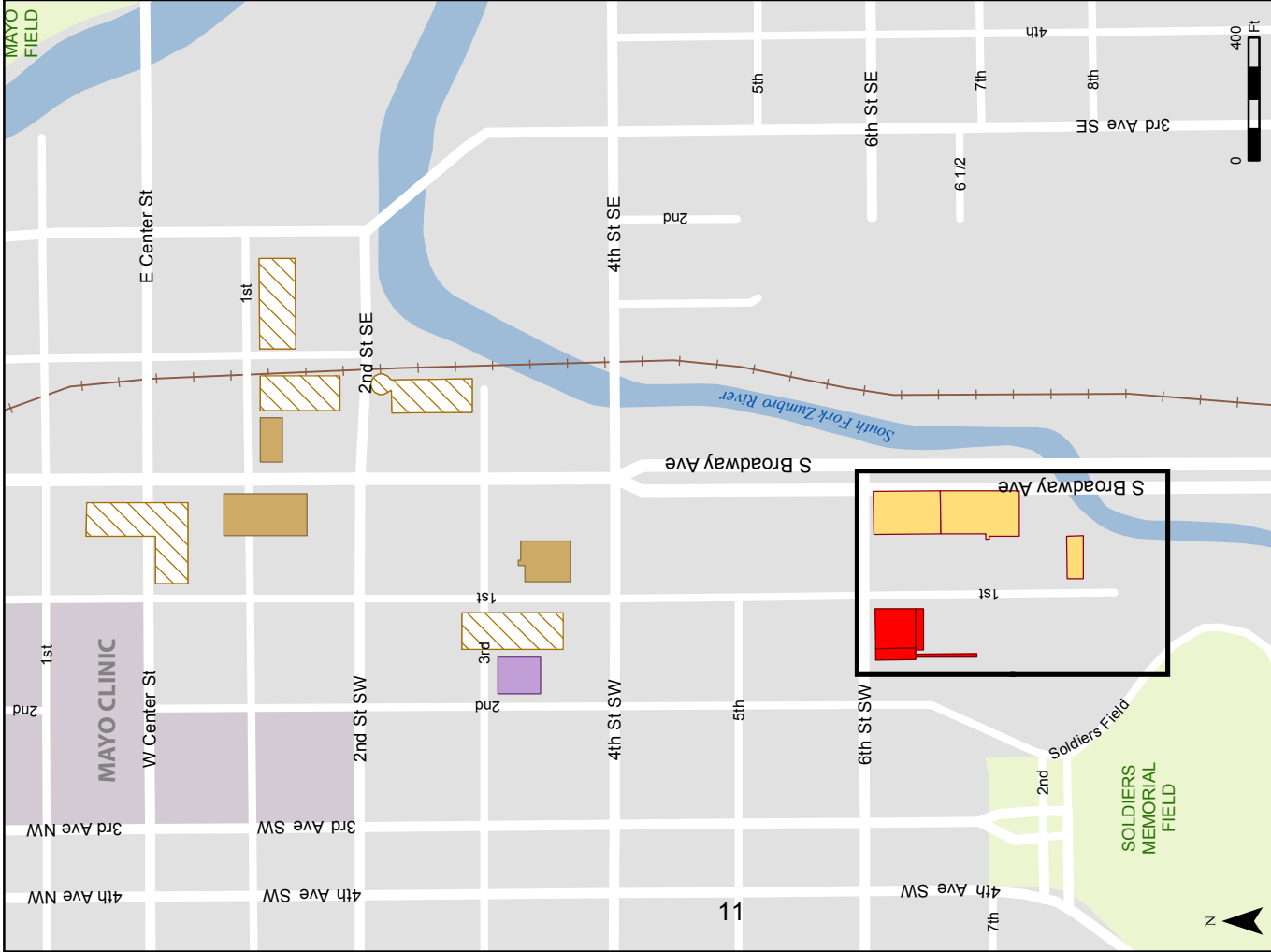
Stephen Lehmkuhle, Chancellor, Rochester Campus

 11/27/13

Richard H. Pfitzenreuter III, Vice President and CFO

 11/27/13

Pamela Wheelock, Vice President for University Services



Real Estate Office



University of Minnesota

**Parcels to be Conveyed
from the City of Rochester
to the Regents of the
University of Minnesota**

- To Be Conveyed By City
- University Owned Property
- Stable Building (Condo Unit #2 Owned)
- Leased Parking (Up to 200 Spaces Total)
- University Leased Property

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

Base Data: Real Estate Office
MNDNR, MNDOT

11/21/2013

LEASE AGREEMENTS, GUARANTIES, AND MASTER AGREEMENT FOR AMBULATORY CARE CENTER (TWIN CITIES CAMPUS)

1. Recommended Action

Facilities and Operations Committee: The President recommends that the appropriate administrative officers receive authorization to execute two thirty-year leases and a parking facility agreement with one six-year renewal option followed by two successive five-year renewal options, with Fairview Health Services (Fairview) and a new 501(c)(3) entity (Newco) that will be created by University of Minnesota Physicians (UMPhysicians) and Fairview, which collectively cover the entire Ambulatory Care Center (ACC) to be constructed by the University on Block 12, Baker's Addition (block bounded by Essex, Ontario, Fulton and Oak Streets SE, Minneapolis); and up to 100 reserved parking spaces in Lot C73 to be constructed by the University on the block west of Block 12 and up to 400 reserved parking spaces in the Oak Street Parking Ramp.

Finance Committee: The President recommends that the appropriate administrative officers receive authorization to execute (i) the ACC Master Agreement, which establishes the framework for the management and operation of the ACC, as described below, and (ii) two corporate guaranties from Fairview and UMPhysicians, also described below, the delivery of which is a condition to the issuance by the University of debt to finance the construction of the ACC.

2. Description of Leased Premises

The lease to Fairview will provide for exclusive use of the hospital-based clinic spaces in the Ambulatory Care Center building, the number of square feet yet to be determined, together with shared use of all non-clinic spaces in the building and the exterior grounds in Block 12, the block bounded by Ontario, Essex, Erie and Fulton Streets SE, Minneapolis.

The lease to Newco will provide for exclusive use of all other clinic spaces in the Ambulatory Care Building Center building, the number of square feet yet to be determined, together with shared use of all non-clinic spaces in the building and the exterior grounds in Block 12, the block bounded by Ontario, Essex, Erie and Fulton Streets SE, Minneapolis.

The two leases together will cover the entire Ambulatory Care Center building, a total of approximately 330,600 gross square feet, or 247,000 assignable square feet.

The parking facility agreement will provide for the use of up to 100 reserved parking spaces in Lot C73, the surface parking lot to be constructed by the University on the University-owned portion of the block west of Block 12, and up to 400 reserved parking spaces in the Oak Street Parking Ramp, by the same two lessees.

3. Basis for Request

The University will construct and own the Ambulatory Care Center building. The \$160 million construction project will be financed by approximately \$150 million in long-term bonds (excluding any capitalized interest during construction) that will be issued by the University and guaranteed by Fairview and UMPhysicians, with an additional \$10 million provided by a gift from the Masons. The occupants of the facility will separately purchase and finance approximately \$46 million in medical equipment and other personal property for use in the Ambulatory Care Center building.

The construction of the Ambulatory Care Center will replace outdated clinical spaces in existing University buildings currently in use by Fairview Health Services and University of Minnesota Physicians and provide for the expansion of clinical activities by these two lessees in state-of-the-art clinic facilities, resulting in improved outpatient and health care services and patient access. The Ambulatory Care Center will be used by University of Minnesota Physicians and Fairview Health Services to provide health, medical and outpatient hospital-based services, in addition to serving as an academic teaching facility in which medical, health care, clinical education and research services are provided, consistent with the strategic goals and direction of the Medical School.

The ACC Letter of Intent (LOI) dated May 1, 2012 among Fairview, UMPhysicians and the University provided that as a condition to the issuance by the University of debt to finance the construction of the ACC (Debt), each of Fairview and UMPhysicians would deliver a corporate guaranty of its proportionate share of the Debt.

4. Details of Transaction

Leases

The subject leases for the Ambulatory Care Center building will commence upon completion of construction of the Ambulatory Care Center project on approximately January 1, 2016 and continue for an initial term of thirty years. Both leases will contain a six-year renewal option followed by two successive five-year renewal options, continuing the leases potentially through December 31, 2061.

If the University unilaterally decides not to extend the term of the Academic Affiliation Agreement between the University and Fairview, the leases will automatically terminate as of the date the Academic Affiliation Agreement terminates. In all other circumstances where the Academic Affiliation Agreement expires or otherwise terminates, the University will have the option to terminate the leases within three (3) years after the termination or expiration of the Academic Affiliation Agreement.

The parking facilities agreements will have the same thirty-year term plus renewals as the two leases.

The University will provide, at the cost of the two lessees, utility services to the Ambulatory Care Center, as well as radiation control and food safety services, and building access control services.

Master Agreement

The Master ACC Agreement establishes the overall framework for the management and operations of the ACC.

The Agreement provides that Fairview and UMPhysicians, together with the University, are committed to developing and operating the ACC in a manner that is consistent with world-class Academic Medical Center status, and is market-competitive and supportive of the research and education mission of the University.

The Agreement affirms the parties' commitment to support the education and research mission of the AHC, and provides that the Medical School will have a significant role in the selection of senior management of Newco, and in the oversight of its performance.

Newco will assume the ownership of certain of the outpatient clinics at UMMC. Through a joint management agreement with the Integrated Structure ("IS"), UMPhysicians, and Newco, UMPhysicians will be engaged to manage both the Newco clinics and the hospital-based Fairview Clinics.

All of the shared goals and academic commitments of the University, Fairview, and UMPhysicians agreed to as part of the Integrated Structure will apply to Newco and the ACC operations. If for any reason, the IS is terminated, the shared goals and commitments to the academic enterprise will continue in the ACC.

Guarantees

Fairview and UMPhysicians will deliver to the University corporate guaranties as a condition to the issuance of the debt by the University to finance the construction of the building. The respective amounts for which Fairview and UMPhysicians are responsible are allocated in proportion to the portions of the building leased to the parties. In the case of Fairview, its guarantee relates to its ownership of the hospital-based clinics and its proportional share of ownership of Newco. UMPhysicians' guarantee relates to its proportional share of ownership of Newco.

Fairview and UMPhysicians agree to promptly pay the amount stated on a schedule of debt payments provided by the University (revised if the debt is refinanced or there is a change in the number of clinics owned) if the University has not received the corresponding lease payment. UMPhysicians and Fairview agree that the payment obligation is unconditional and absolute until the Debt has been paid in full.

5. Lease Rents

The Base Rent for the subject two leases will reflect the University's long-term bond financing costs for the Ambulatory Care Center project, \$150 million, plus an estimated \$12 million in

capitalized interest costs required during the construction period of the project. It is anticipated that long-term bond financing will be completed in late spring of 2014 and Base Rent payments will match debt payments and will be paid in semi-annual installments.

The leases are structured on a triple net basis, with the two lessees responsible for all costs, expenses, liabilities and obligations of every kind or nature related to operation, use and upkeep of the Ambulatory Care Center building, including capital projects. During the lease, University approval is required for any project affecting the ACC building structure and/or system as well as projects over \$1 million.

The University, at the expense of the lessees, will keep and maintain all exterior areas of the ACC building and exterior grounds.


For the parking, the two lessees will pay the University's monthly contract fee for faculty and staff parking per space on a quarterly basis.

6. University Use of Funds

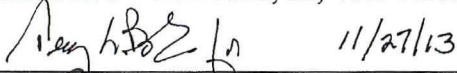
The rents received by the University from the two lessees will be used to pay the University's costs for the debt issued by the University for the Ambulatory Care Center project. Parking and Transportation Services will receive the payments on the parking facility agreement.

7. Recommendations

The above-described real estate transaction is appropriate:

 11/27/13

Richard H. Pfitzenreuter, III, Vice President and CFO

 11/27/13

Aaron Friedman, Vice President for Health Sciences

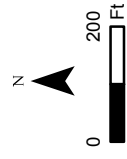
 11/27/13

Pamela A. Wheelock, Vice President for University Services



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

Base Data: Real Estate Office
MNDNR, MNDOT
11/26/2013



- Block 12 - ACC Site
- Other University Property
- Park

Lease Agreements, Guaranties and Master Agreement for Ambulatory Care Center Twin Cities Campus

Real Estate Office



University of Minnesota



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO

LEASE AGREEMENTS, GUARANTIES, AND MASTER AGREEMENT FOR THE AMBULATORY CARE CENTER

WHEREAS, the University of Minnesota (University) is party to an Academic Affiliation Agreement with Fairview Health Services, a Minnesota nonprofit corporation (Fairview), pursuant to which the academic mission of the University and its Academic Health Center (AHC) is supported through collaboration in the provision of healthcare services to citizens of the State of Minnesota and others;

WHEREAS, University of Minnesota Physicians, the designated practice organization of the faculty of the University of Minnesota Medical School Twin Cities (UMPhysicians), is party to an affiliation agreement and various other agreements with Fairview pursuant to which the practice of medicine is conducted at Fairview facilities in a manner supportive of the academic mission of the AHC;

WHEREAS, in order to enable greater access to health care within the State and better accommodate patients; ensure the continued financial viability of the State's sole public medical school; and further the core mission of the University's Academic Health Center (AHC) by enhancing research and educational opportunities for faculty, students, and residents, on May 11, 2012, the Board of Regents authorized a Letter of Intent (LOI) among Fairview, UMPhysicians, and the University related to the construction and operation of a new ambulatory care center (ACC) on the Twin Cities campus that would enable direct and convenient patient access by physically consolidating outdated outpatient clinics currently existing in multiple locations, and also provide improved space for the conduct of related research and teaching activities; and

WHEREAS, the LOI provided for the creation of a new legal entity (Newco) to be owned by Fairview and UMPhysicians to manage the operations of the clinics located in the ACC; and

WHEREAS, the LOI provided in part that the University would finance and build the ACC and lease it to Fairview and Newco contingent, in part, upon provision by each of UMPhysicians and Fairview of a corporate guaranty for its relative portion of the debt to be issued to finance the ACC (each, a Guaranty and collectively, the Guaranties); and

WHEREAS, the University, Fairview, UMPhysicians, and Newco have negotiated a Master Ambulatory Care Center Agreement (Master Agreement) establishing the

framework for the management and operation of the ACC, including commitments to developing and operating the ACC in a manner consistent with world-class medical center status; ensuring that the ACC is market competitive; supporting the research and education missions of the University; issuing debt by the University to finance the construction of the ACC upon Fairview and UMPPhysicians delivering corporate guaranties to the University; dividing ownership of the clinics between Fairview and Newco; allowing UMP to manage the clinics through a joint management agreement with the Integrated Structure, LLC, UMPPhysicians, and Newco; and leasing of the ACC building by the University to Fairview and Newco;

WHEREAS, the University and Fairview have negotiated an Ambulatory Care Center Lease (Fairview Lease) and the University and Newco have negotiated a separate Ambulatory Care Center Lease (Newco Lease, and together with the Fairview Lease, Lease Agreements); the initial term of the Lease Agreements is 30 years and the Lease Agreements collectively cover all building space in the ACC and require Fairview and Newco to pay rent reflecting the cost of the debt service for debt issued by the University to cover the construction costs for the building, plus all operating and maintenance costs for the building; and

WHEREAS, the Guaranties have a term of 30 years, terminable only if the University elects to terminate the Lease in conjunction with a termination of the Academic Affiliation Agreement;

NOW, THEREFORE, BE IT RESOLVED that the President is hereby authorized to execute and deliver each of the Lease Agreements, each of the Guaranties, and the Master Agreement, and the President and all other appropriate University officers are authorized to take such further action as may be necessary or appropriate to carry out their intended purpose, subject to the obtaining of all additional approvals required under the Board Policy: Reservation and Delegation of Authority.



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Facilities and Operations Committee

December 12, 2013

Agenda Item: Schematic Plans

review review/action action discussion

Presenters: Vice President Pamela Wheelock
Vice President Aaron Friedman
Assistant Vice President Suzanne Smith

Purpose:

policy background/context oversight strategic positioning

In accordance with the Board of Regents Policy: *Reservation and Delegation of Authority*, review and act on the Schematic Plans for the following project:

- Ambulatory Care Center Project located on the Twin Cities Campus.

Outline of Key Points/Policy Issues:

The attached Project Data Sheet addresses the basis for request, project scope, cost estimate, funding, and schedule. A map locating the project is also attached.

Ambulatory Care Center, Twin Cities Campus

The University of Minnesota Physicians (UMP) and University of Minnesota Medical Center - Fairview (Fairview), together with the University of Minnesota, will create a world-class academic ambulatory care center to provide patient and family-centered health care services. The project is approximately 330,000 gross square feet and includes clinics, comprehensive cancer center, ambulatory surgery center, ancillary and diagnostic service, and patient support services including a pharmacy and café. The project is located at 910 Essex Street Southeast, Minneapolis, Minnesota; four blocks east of the University of Minnesota Medical Center - Fairview hospital.

Background Information:

The Ambulatory Care Center project funding was included in the FY2013 Capital Budget (\$142,500,000), approved by the Board of Regents in June 2012, and the FY2014 Capital Budget (\$22,500,000), approved by the Board of Regents in June 2013. Actual project funding is \$160,000,000.

President's Recommendation for Action:

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

- Ambulatory Care Center Project located on the Twin Cities Campus

**Ambulatory Care Center Project
Twin Cities Campus
Project No. 01-922-12-1781**

1. Basis for Request:

The University of Minnesota Physicians (UMP) and University of Minnesota Medical Center – Fairview (Fairview), together with the University of Minnesota, will create a world class academic Ambulatory Care Center to provide patient and family centered health care services. The existing clinic space for the Medical School is located in the Phillips Wangensteen Building (PWB) which was constructed in 1974. Existing facilities are well below market standard for ambulatory clinics and have significant challenges due to inefficient workflow. Further, the HVAC, electrical, and life safety systems are in need of upgrade. The move of clinics provides an opportunity to repurpose space in PWB.

Current facilities lack space for teaching and family participation, requiring larger clinic rooms. Changes in practice models over the past 40 years and accommodation of health professional education opportunities cannot be adequately addressed by remodeling existing clinics. Current patient issues include the lack of clarity in way-finding between buildings, prevention of delivery of integrated outpatient care where pre-op, out-patient surgery, and post-op care take place at the same facility, limited consultation space, and the lack of space contributes to a backlog of new patient appointments in some clinics.

The location and the complexity of campus navigation have been cited by patients as a significant barrier to accessing care at the University. The proposed site location addresses these barriers; the project site is immediately off the freeway and adjacent to the Oak Street Parking Ramp.

The schematic design review for the Ambulatory Care Center requests authorization for design to proceed. The project includes an ambulatory surgery center, comprehensive cancer center, clinics, ancillary and diagnostic service, patient support services including a pharmacy and café, and utility infrastructure to the site.

Capital Budget Metrics:

Ensure student success by:

- Creating facilities that are directly related to recruiting, educating, supporting, and graduating students.

Ensure research productivity and impact by:

- Creating flexible spaces that adapt to new medical science and research.

Fulfill our statewide mission by:

- Creating facilities and spaces needed to achieve unique mission elements related to health and wellness.
- Viewing facilities as one tool in delivering academic programs and health services.

Protecting public assets and investment by:

- Leveraging facility investment to advance the academic mission and priorities.

2. Scope of Project:

The Project is located at 910 Essex Street Southeast, Minneapolis, Minnesota; four blocks east of the University of Minnesota Medical Center - Fairview Hospital. The Ambulatory Care Center project is approximately 330,000 gross square feet and five stories in height. The project will include:

- Ambulatory surgery center
- Comprehensive cancer center
- Clinics such as transplant, cardiovascular, medical specialties, surgery, orthopedics, neurosurgery, neurology, pain medicine and rehabilitation, dermatology/ dermatology surgery, ear/nose/throat
- Ancillary and diagnostic service to support the integration of the care experience and convenience for patients
- Patient support services, including a pharmacy and café
- Utility infrastructure to the site

Clinical spaces will actively support the incorporation of educational and research for transformative team based care, which will enhance the patient experience and the training experience. The program will also include flexible education/conference spaces to train healthcare professionals of tomorrow including medical residents and fellows, pharmacy students, nursing students, and other disciplines.

3. Master Plan:

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

4. Environmental Issues:

The University has completed a soils survey of the existing vacant site and the facility is being designed to not impact the water table where contaminants exist. No other hazardous conditions are known. Any hazardous materials found will be removed by the University as a part of the project in construction.

5. Cost Estimate:

Construction Cost	\$134,186,000
Non Construction Cost	\$25,914,000
<hr/>	
Total Project Cost	\$160,000,000

6. Capital Funding:

University Debt	\$150,000,000
Mason's Gift	10,000,000
<hr/>	
Total Project Funding	\$160,000,000

7. Capital Budget Approvals:

The FY 2013 and the FY 2014 Capital Budgets included \$142,500,000 and \$22,500,000 and were approved by the Board of Regents in June 2012 and June 2013, respectively. Actual project funding is \$160,000,000.

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

Annual operating and maintenance costs are anticipated to be approximately \$1,063,000.

9. Time Schedule:

Design completion	September 2014
Construction start	December 2013
Construction substantial completion	September 2015

10. Architect and Construction Manager:

The project delivery method will be Construction Manager at Risk.

Architect: Cannon Design, Chicago, IL, with Studio Five, Minneapolis, MN
Construction Manager: McGough Construction, St. Paul, MN

11. Recommendation:

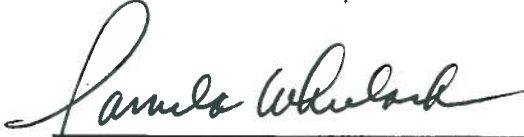
The above described project scope of work, cost, funding, and schedule is appropriate:



Aaron Friedman, Vice President for Health Sciences

 11/27/13

Richard Pfitzenreuter, Vice President and Chief Financial Officer

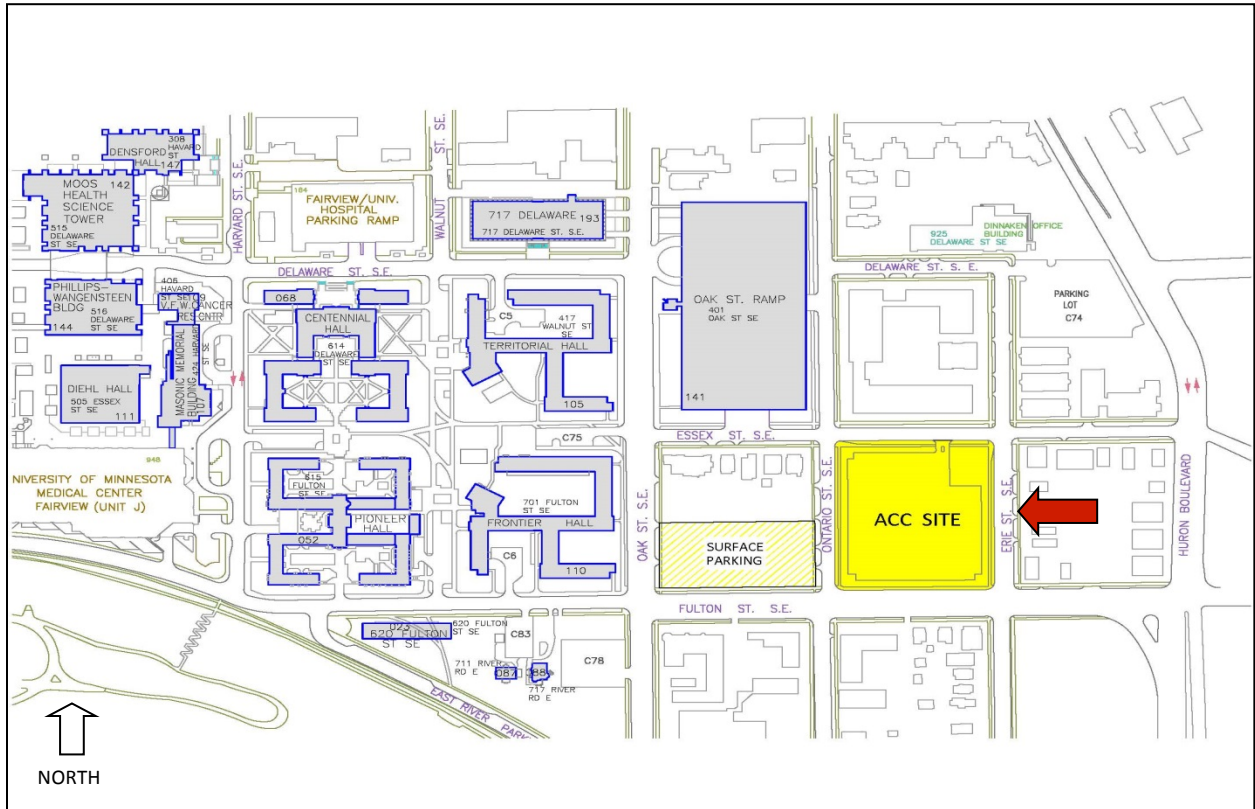


Pamela Wheelock, Vice President for University Services

11/27/13

**Ambulatory Care Center Project
Twin Cities Campus
Project No. 01-922-12-1781**

SITE LOCATION MAP



The site is bounded by Fulton Street SE on the south, Essex Street SE on the north, Ontario Street SE on the west, and Erie Street SE on the east.



UNIVERSITY OF MINNESOTA BOARD OF REGENTS

Facilities and Operations Committee

December 12, 2013

Agenda Item: Ensuring a Safe University

review review/action action discussion

Presenters: Vice President Pamela Wheelock
Assistant Vice President Greg Hestness, Public Safety
Chief of Staff, Leslie Krueger, University Services

Purpose:

policy background/context oversight strategic positioning

Board of Regents Policy: *Health and Safety* defines University health and safety as encompassing “personal security; public safety; emergency preparedness; public health; workplace safety; protection of environmental, physical, and monetary resources, and safe and healthful facilities.” More specifically, these functional areas also include building security, campus design, research safety, traffic planning and enforcement, effective policing, community education, and a shared responsibility for safety.

University Services’ strategic planning efforts have identified three primary goals: Optimize the University’s Physical Assets; Ensure a Safe University; and Provide a Memorable Student Experience. Nowhere is the interrelated nature of these goals more evident than in the area of campus safety.

Each system campus, research and outreach center, and University facility presents unique needs based on geography, surrounding community, constituency served, and/or the kind of research, teaching, or outreach being conducted. In 2012, the former Facilities Committee reviewed the safety efforts on each of the system campuses, with a focus on the Clery Act. This year’s presentation will reflect current trends and focus on the Twin Cities campus, with a special emphasis on personal safety and transportation safety.

Outline of Key Points/Policy Issues:

The University of Minnesota Twin Cities continues to evolve from its historic commuter campus to one where 86% of first-year students live on campus and where student-centric private housing development near campus has exploded in recent years. The additional population density near campus has impacted how students travel to campus as well as public safety in the neighborhoods.

Public Safety

Public safety is a priority for the University, which has one of the nation’s largest public university campuses located in a major metropolitan area. The University has made critical investments in improving the safety and security of campus and its neighbors. Anchored in the

University's planning, the public safety strategic plan developed in 2006 and updated in 2010 sets forth critical safety strategic priorities.

The University has increased financial and personnel support for public safety: The Twin Cities campus maintains 50 officers, up from 45 in 2006. The campus also employs 140-180 uniformed student monitors who support public safety efforts through bike and foot patrols, providing a direct radio contact to police officers, and who provide a 24/7 safety escort service.

In addition, significant improvements have been made in enhancing surveillance and security. The University has invested nearly \$15 million from 2002-12 for improvements including video surveillance, electronic access control, emergency communications, and alarm systems. These system-wide investments include services for the system campuses, research and outreach centers, as well as experiment stations. The video surveillance system now includes over 2,400 cameras systemwide, with 1,700 on the Twin Cities campus. Over 3,200 access points are controlled electronically statewide. The Twin Cities campus also features 20 easily recognizable Code Blue phones, answered in the University's 911 Public Safety Emergency Communications Center.

While crime on the Twin Cities campus remains consistently low, the neighborhoods near campus have seen an uptick in crimes against person and properties this fall. Robberies, burglaries, and assaults affect the livability of the neighborhood. Students and their parents do not differentiate between crime that happens within the boundaries of our campus and crime that happens near campus where students live and recreate. The Jeanne Clery Act requires the University to issue timely warnings when crimes represent an ongoing threat to safety and emergency notifications of imminent threats. Because we include near-campus incidents in the scope, the quantity and frequency of alerts are higher than if just on-campus crimes were reported. As a result, our University communities are better informed of incidents than is the case for most communities.

The University has responded to this uptick with a number of immediate and long-term strategies. Immediate changes included allocating additional resources to provide for overtime pay and additional officers to increase foot and bicycle patrols on and near campus; continuing to work with the City of Minneapolis and Hennepin County Sheriff's Office to expand coordinated patrol efforts around campus; and expanding the Gopher Chauffeur free ride program. The Minnesota Student Association (MSA) has initiated a safety pledge and has partnered with UMPD to door-knock about safety issues in the residence halls.

To address longer-term changes, University Services has convened three workgroups. One group is examining changes that can be made to campus design to improve safety. What are the major thoroughfares that students travel? What lighting can be upgraded or added? What landscaping should be changed to enhance sightlines? Although our ability to make immediate impacts may be limited to University property, the group also will consider what enhancements are needed in the surrounding neighborhoods.

The second group is focused on efforts that will enhance the ability of police to do their work effectively. An analysis is underway that will recommend additional public spaces that should be under video surveillance. The result of that analysis will be coupled with the first group's design suggestions to more effectively monitor the parts of campus that are most likely to be travelled by students, faculty, and staff. Additional cameras will be installed to create a more comprehensive monitoring program.

A third workgroup is examining building access. Most university campuses are, by their nature, widely open to the public. A campus is not unlike a city in that people come and go throughout the day, from all corners of the property, and with many purposes. But should we be as publicly accessible as we are? Does anyone off the street have a legitimate need to access a classroom building? Can we ask members of the campus community to authenticate their status in order to get into our spaces? This group will examine campus space and consider what facilities (or spaces within facilities) should be classified as public, university community, or restricted. Results of that discussion will inform investments in card controlled doors or physical changes to facilities, as well as set a course for culture change.

The first initiative is already underway. A \$1.5 million investment is being made to ensure that the remainder of our buildings on the Twin Cities campus that currently do not have electronic access control will be retrofitted by the end of the school year. While our newest facilities already have this capability, retrofits to older buildings were being tackled with a

piecemeal approach. When this project is complete, all buildings will be able to be secured instantly from our Public Safety Emergency Communications Center, thereby enhancing our ability to control daily access as well as respond to emergencies.

Transportation Safety

More students than ever are arriving on campus by bicycle. Fall 2013 counts indicate 8,500 bicyclists per day – 1,000 more than just last year, which itself saw a 1,000 bike increase from the previous year. Restricted and continually changing traffic flow caused by construction on Metro Transit's Green Line is just now beginning to ease after 2½ years. Buses are due back on Washington Avenue December 7, which will mean less bus traffic on other campus thoroughfares and a new major bicycle corridor through the heart of the East Bank.

The core of campus, however, has been built over 160 years and was never designed to accommodate the kind of multimodal transportation we see today: pedestrians, bicyclists, buses, trains, private vehicles, delivery trucks, mopeds, and the like. Efforts to ensure safety are taking three approaches: design and redesign of existing corridors, safety education campaigns, and active enforcement of modal segregation where problems exist.

Background Information:

The Board of Regents receives regular reports regarding safety issues. Recent past reports include:

- October 2012 –Facilities Committee: Report on Public Safety; Board of Regents Work Session: Lessons from the Freeh Report
- March 2011 – Facilities Committee: Public Safety Overview
- September 2009 – Faculty, Staff and Student Affairs Committee: H1N1 Preparedness
- May 2007 – Audit Committee: University Preparedness for All-Hazard Emergencies
- November 2006 – Facilities Committee: Public Safety Overview



**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

Facilities and Operations Committee

December 12, 2013

Agenda Item: Information Items

review **review/action** **action** **discussion**

Presenters: Vice President Pamela Wheelock

Purpose:

policy **background/context** **oversight** **strategic positioning**

To update the Board of Regents regarding the following information items:

- A. Capital Planning and Project Management Semi-Annual Report
- B. Final Project Review: Ambulatory Care Center – Twin Cities Campus

Outline of Key Points/Policy Issues:

A. Capital Planning and Project Management Semi-Annual Report

In accordance with the Board of Regents procedure, Capital Planning and Project Management will present a semi-annual status update for capital projects approved in the capital budget, and for which the Regents are required to approve schematic plans.

The projects in this report are organized by phase: Projects in Design, Projects in Construction, and Completed Projects. Once a project is reported as complete it is removed from subsequent reports.

B. Final Project Review: Ambulatory Care Center - Twin Cities Campus

The University of Minnesota Physicians (UMP) and University of Minnesota Medical Center – Fairview (Fairview), together with the University of Minnesota, will create a world-class academic ambulatory care center to provide patient- and family-centered health care services. The project is approximately 330,000 gross square feet and includes clinics, comprehensive cancer center, ambulatory surgery center, and ancillary and diagnostic service and patient support services including a pharmacy and café. The project is located at 910 Essex Street Southeast, Minneapolis, Minnesota; four blocks east of the University of Minnesota Medical Center - Fairview hospital.

The schematic design is being presented to the Regents for review and approval. The project cost is \$160,000,000.

Background Information:

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

Capital Planning and Project Management (CPPM)

Semi-Annual Project Report
December 2013

TABLE OF CONTENTS

Executive Summary	3
CPPM Measures and Structure	4

Projects in Design

Ambulatory Care Center, UMTC.....	5
Biomedical Facilities – Microbiology Research Facility, UMTC.....	6
Combined Heat and Power Plant, UMTC.....	7
Mechanical Engineering Building Infrastructure Remodel, UMTC.....	8

Projects in Construction

Amundson Hall Gore Annex, UMTC	9
Campus Utility Building Addition, UMD	10
Glensheen Water Damage and Cleanup, UMD	11
Laboratory/Classroom Facility, Itasca Biological Station.....	12
Northrop Phase II Interior Renovation, UMTC	13
Physics and Nanotechnology Building, UMTC.....	14

Completed Projects

17th Avenue Residence Hall, UMTC	15
Engine Research Lab Remodeling.....	16
Green Prairie Living and Learning Community, UMM	17
Heritage Hall and Academic Classroom, UMC.....	18
Saint Anthony Falls Lab Infrastructure, UMTC	19
University Recreation Center Expansion, UMTC	20

EXECUTIVE SUMMARY

This Semi-Annual Project Report submitted by Capital Planning and Project Management includes projects in process that have been approved in the Capital Budget and for which the Regents are required to approve the Schematic Plans. Once a project is reported as complete it is removed from subsequent reports.

The projects in this report are organized by phase: Projects in Design, Projects in Construction, and Completed Projects. A total of 16 projects are listed, 4 in design, 6 in construction, and 6 have completed.

The full scope of work within Capital Planning and Project Management includes the following project activity:

Project Initiation Phase.....	58
Predesign Phase	19
Design Phase	43
Construction Phase	78
Substantial Completion.....	43
Project Closeout	54
Closed Since Last Report	39
 TOTAL.....	 334

CPPM MEASURES AND STRUCTURE

CPPM uses the following performance measures and accepts full accountability for the following:

- Meeting project scope expectations
- Delivering expected quality
- Delivering projects on schedule
- Delivering projects on budget
- Improving process productivity
- Limiting / eliminating legal liabilities
- Promoting targeted business participation
- Support University of Minnesota sustainability initiatives

CPPM Organization:

- CPPM is organized as follows:
 - Planning, Space, and Architecture
 - Project Delivery
 - Business Services

Projects in Design

Ambulatory Care Center, UMTC



Description: The Ambulatory Care Center Project is located at 910 Essex Street Southeast, on the Twin Cities Minneapolis Campus, four blocks east of the University of Minnesota Medical Center - Fairview hospital.

The program for the Ambulatory Care Center (ACC) was completed at the end of June 2013. The ACC will be a facility of 332,240 SF. The project has progressed through Schematic Design and will be presented to the Board of Regents for review and approval at the December 2013 meeting.

The program elements include:

- Ambulatory surgery center
- Ambulatory surgery center
- Comprehensive cancer center
- Clinics such as transplant, cardiovascular, medical specialties, surgical, specialties, dermatology/dermatology surgery, orthopedics, neurosurgery, neurology, PM&R, ENT, ophthalmology
- Ancillary and diagnostic service to support the integration of the care experience and convenience for patients

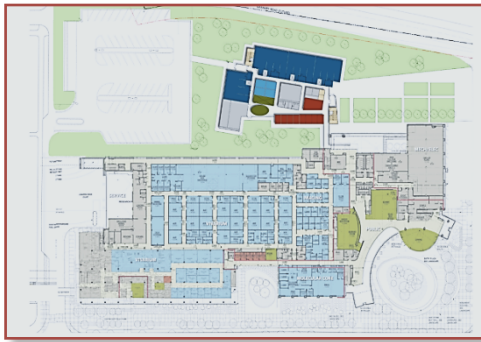
Clinical spaces will actively support the incorporation of educational and research for transformative team based care, which will enhance the patient experience and the training experience. The program will also include flexible education/conference spaces to train healthcare professionals of tomorrow including medical residents and fellows, pharmacy students, nursing students, and other disciplines.

Project Executive	AVP Suzanne Smith
Project Director.....	Rick Johnson
Project Manager.....	Dennis Sachs
Design Professional	Cannon Design with Studio 5 Architects
Prime Contractor.....	McGough Construction
Budget.....	\$164,911,000
Schedule.....	January 1, 2016

- Schematic Design completed October 2013
- Construction Start estimated December 23, 2013
- Occupancy estimated January 1, 2016
- Project is on schedule and within budget

Projects in Design

Biomedical Facilities - Microbiology Research Facility, UMTC



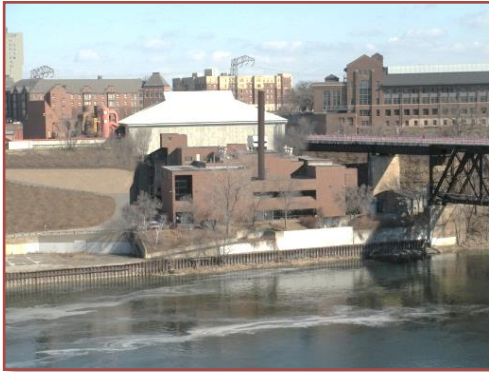
Description: This project will construct the 4th and final building in the Biomedical Facilities Program which is funded 75% by the Minnesota Legislature and 25% the University of Minnesota. The four-story, 74,000 square foot Microbiology facility will be located to the north and connected to the Cancer and Cardiovascular Research Building on ground and first floors. Funding reflects the amount remaining in the original \$292 million program.

Project Executives	Senior VP Aaron Friedman VP Pamela Wheelock AVP Suzanne Smith
Project Director	Rick Johnson
Project Manager	Pete Nickel
Design Professional	BWBR Architects
Prime Contractor	M. A. Mortenson Construction
Budget.....	\$63,600,000
Schedule.....	July 2015

- Design Development complete
- Construction anticipated to start December, 2013
- Estimated completion date July, 2015
- Project is on schedule and within budget

Projects in Design

Combined Heat and Power, UMTC



Description: This project installs new combined heat and power equipment (CHP) in the existing Old Main Utility Building located adjacent to the Mississippi river in the Knoll area. Due to the growth of new University buildings requiring steam service and aging boiler equipment on the Minneapolis campus, the University is at risk for a shortage in firm boiler capacity relative to winter-time peak steam demand beginning in 2014. The CHP equipment represents a two stage configuration: a new natural gas fired turbine will generate electricity for use on the Minneapolis campus and a new heat recovery steam boiler will recover heat from the

combustion gases that are discharged from the turbine to generate the required steam capacity. The CHP equipment solution reduces the carbon footprint for the University and represents the best long term sustainable solution from an energy use standpoint. The plant will be designed with space allocation for future installation of a packaged boiler as well as two future steam turbine-driven chillers.

Project Executive	AVP Suzanne Smith
Project Director.....	Bruce Gritters
Project Manager.....	Matt Stringfellow
Design Professional	Jacobs Engineering
Prime Contractor.....	Adolfson & Peterson Construction
Budget.....	\$95,881,000
Schedule.....	February 2016

- Currently in design
- \$18M project funding was approved in the FY13 Capital Budget
- Project approved in February, 2013 with a total project funding of \$95 Million by FY13 Capital Budget Amendment
- Schematic Plan approved: February, 2013
- Major Equipment Procurement: February, 2013
- Hazardous materials abatement, minor demolition, and site work: November, 2013
- Air Emissions Permit application submitted: October, 2013
- Tentative Construction start: Fall 2014 (pending Air Emissions Permit approval)
- Project is on schedule and within budget

Projects in Design

Mechanical Engineering Building Infrastructure Remodel, UMTC



Description: The existing Mechanical Engineering building with 144,733 square feet of area provides office, research, and classroom space for the Department of Mechanical Engineering. Originally constructed in 1948, the building has served the needs of the University without any major infrastructure changes since that time. In order to position itself for the next 50 years, the building needs to be modernized with a comprehensive replacement and upgrade to its central infrastructure systems. The objective of the infrastructure project is to provide these comprehensive system upgrades

for the west and north wings of the “Old Mechanical Engineering” building. This project will be funded with HEAPR dollars and constructed in phases based on available funds.

The first phase of Work (Phase 1) will consist of the main electrical distribution system, relocation of the existing MDF room, Akerman Hall and South Wing Basement ramp / egress connections, 4th Floor Akerman Hall egress connection, and a new freight elevator.

Project Executive	AVP Suzanne Smith
Project Director.....	Bruce Gritters
Project Manager.....	Trevor Dickie
Design Professional	Architectural Alliance
Prime Contractor.....	M. A. Mortenson Construction
Budget.....	\$44,553,472
Schedule.....	November 2014

- \$9,956,731 funded in FY13 for Phase 1 Scope
- Design Development approved September, 2013
- 95% Phase 1 Construction Documents issued November, 2013
- Tentative Phase I Construction Start: January, 2014
- Project is within schedule and budget

Projects in Construction

Amundson Hall Gore Annex, UMTC



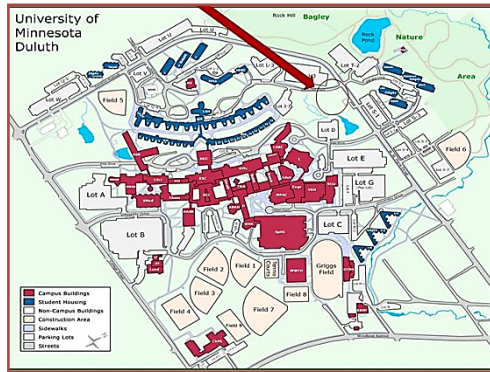
Description: This project will renovate a portion of the existing structure and construct an addition to Amundson Hall. The additional laboratory and office space will allow the Department of Chemical Engineering and Materials Science to add faculty, grow undergraduate enrollment, and increase the number of doctoral students. The infrastructure upgrades include replacing the original exterior curtain wall and all windows; rebuilding the electrical vault; replacing the emergency generator; life-safety improvements; replace exterior lighting; connecting the entire building to the District chilled water system; and providing a second domestic water service.

Project Executive AVP Suzanne Smith
Project Director Bruce Gritters
Project Manager Paul Oelze
Design Professional Perkins+Will Architects
Prime Contractor Kraus-Anderson Construction
Budget \$29,700,000
Schedule Summer 2014

- Currently in Construction
- Utility installation is in progress
- North addition concrete structure in progress, 30% erected
- South curtain wall and window replacement is complete
- Interior renovations in progress
- Project is on schedule and within budget

Projects in Construction

Campus Utility Building, UMD



Description: The scope of the project includes a new 5,000 gross square foot facility, located on the northwest side of the Duluth Campus off of St. Marie Street. The facility will house an additional 2,000 tons of cooling capacity and enclose an existing pad mounted electrical substation located on site. This first phase of the project will include one new 1,000 ton chiller to meet the campus cooling needs. A second 1,000 ton chiller is set in place for future connection.

Project Executive	AVP Suzanne Smith
Project Director	Bruce Gritters
Project Manager	John Rashid
Design Professional	Perkins+Will Architects / Dunham Associates
Prime Contractor	Kraus Anderson Construction
Budget	\$4,500,000
Schedule	January 2013

- Construction in process
- Construction Manager at Risk project delivery
- Building structure complete
- Exterior windows being installed
- Underground utility infrastructure complete
- Chillers installed, piping on-going
- Project is on schedule and within budget

Projects in Construction

Glensheen Water Damage and Cleanup, UMD



Description: The Glensheen Historic Estate experienced extensive damage due to severe four-county wide storms on June 19-20, 2012. This project will restore the landscape and built site features to their pre-storm condition. The project is funded with FEMA Public Assistance and insurance reimbursement. Repairs will maximize salvaged material to comply with State Historic Preservation Office requirements.

Project Executive AVP Suzanne Smith
Project Director Bruce Gritters
Project Manager Kevin Ross with Jim Litsheim
Design Professional Miller Dunwiddie Architecture
Prime Contractor Kraus-Anderson Construction
Budget \$3,412,557
Schedule September 2014

- Cleanup of debris in Bent Brook and the lining and wall repairs are substantially complete
- Repointing of the Bent Brook Bridges (Upper and Lower) is complete
- London Road wall rebuilding is underway
- Service Courtyard Masonry Wall Dismantling has begun and the rebuilding will continue into Spring 2014
- Tischer Creek restoration work is scheduled for Spring 2014
- Project is on schedule and within budget

Projects in Construction

Laboratory/Classroom Facility, Itasca Biological Station



Description: This project constructs an 11,800 square foot laboratory/classroom and demolishes 3 obsolete, energy inefficient buildings. The new building is designed to meet Minnesota B3 requirements and anticipates achieving LEED Gold status through a substantial reduction in energy use.

Project Executive AVP Suzanne Smith
Project Director..... Bruce Gritters
Project Manager.....Kevin Ross
Design ProfessionalMeyer Scherer & Rockcastle Architects
Prime Contractor..... Kraus-Anderson Construction
Budget.....\$6,090,000
Schedule..... Winter 2014

- Construction began in April when the site was cleared
- The footings and foundations are now in place and have been back-filled
- The geothermal wells have been drilled and installed, along with the associated under slab ductwork
- The slab on grade is scheduled to be poured at the end of October
- Project is on schedule and within budget

Projects in Construction

Northrop Phase II Interior Renovation, UMTC



Description: Northrop will become a pre-eminent Cultural Center that inspires and nourishes the human spirit by creating a +/-2,750-seat hall with excellent acoustics and sightlines, and state-of-the-art technologies to provide the highest quality experience attainable. Northrop will house the University Honors Program, the Institute for Advanced Study, and the Innovation Laboratory.

Project ExecutiveVice Provost Robert McMaster
VP Pamela Wheelock
Project Director.....Michael Denny
Project Manager..... Roger Wegner
Design Professional HGA Architects
Prime Contractor..... JE Dunn Construction
Budget..... \$88,199,126
Schedule..... Fall 2013 / Winter 2014

- Major interior finish work including drywall and plaster walls, terrazzo flooring, carpeting, and mechanical and electrical systems is nearing completion for all program spaces around the auditorium
- Program spaces are to be completed in November 2013, with occupants moving into the building in December 2013
- Major exterior work, including sidewalks, driveways, and plantings will be completed by the end of November 2013
- Auditorium and back of house spaces are on schedule to be complete to allow commissioning in February 2014
- Grand opening has been set for April 4, 2014
- Project is on schedule and within requested amended budget

Projects in Construction

Physics and Nanotechnology Building, UMTC



Description: The project is approximately 144,000 square feet and houses offices and research laboratories for the School of Physics and Astronomy and the Center for Nanostructure Applications. The site is bounded by Civil Engineering to the north, Akerman Hall to the west, Scholars Walk to the south, and Recreation Center to the east. The building will house approximately 200 faculty, post-doctorate, graduate level, and visiting researchers. The facility includes forty flexible-use research laboratories and a 5,000 net

square foot cleanroom laboratory for Nano research designed for Class 100 chip fabrication and Class 1000 bio-Nano work. There is also a 2-story tall high-bay laboratory with overhead rail crane for use in assembling large installations such as satellite payloads.

Project Executive AVP Suzanne Smith
Project Director..... Bruce Gritters
Project Manager..... Matt Stringfellow
Design ProfessionalArchitectural Alliance with Zimmer Gunsul Frasca
Prime Contractor..... M. A. Mortenson
Budget.....\$84,100,00
Schedule.....November, 2013

- Project is Substantially Complete
- Furniture installation: November/December, 2013
- Customer moves begin in late 2013 and continue into early 2014
- Project is on schedule and within budget

Completed Projects

17th Avenue Residence Hall, UMTC



Description: This project constructed a 227,000 gross square foot building. The building includes a 600 bed residence hall, 350 seat dining facility, 3 Greek Chapter Houses designed to support and enhance the sorority and fraternity experience, and an extension of high pressure steam, electric, and chilled water utility infrastructure.

Project Executive AVP Suzanne Smith
Project Director..... Bruce Gritters
Project Manager.....Kevin Ross
Design ProfessionalTKDA Architects
Prime Contractor..... M. A. Mortenson Construction
Budget..... \$62,500,000
Schedule..... August 2013

- The residence hall received its permanent Certificate of Occupancy on August 8th and student move-in began the Week of August 26th
- A ceremonial Grand Opening was celebrated with the University Board of Regents and President Kaler on October 9th
- Project was completed on schedule and within budget

Completed Projects

Engine Research Lab Remodeling, UMTC



Description: This project relocated the Engine Testing Laboratory to the south end of the Reuse Center which is currently open warehouse shell space. The new location provides two engine test cells, control room, engine build room, flow bench room, private office, four workstations, break room, and a unisex toilet room. The south exterior of Reuse Center is further improved to include fuel storage tanks, cooling tower, electrical transformer, exterior vehicle test cell, and minimal parking.

Project Executive AVP Suzanne Smith
Project Director..... Bruce Gritters
Project Manager Paul Oelze
Design ProfessionalArchitectural Alliance
Prime Contractor.....McGough Construction
Budget..... \$5,000,000
Schedule..... Fall 2013

- The project was substantially complete October 2013
- Project was completed on schedule and within budget

Completed Projects

Green Prairie Living and Learning Community, UMM



Description: The project is a new two-story residence hall and contains 72 beds in 16 quad suites with 4 beds per suite (8 with single bedrooms, 8 with double bedrooms), 4 single bed/private bath units and 4 single bedrooms, Community Advisor units, as well as 1 area coordinator apartment and a community kitchen. A common lounge will connect the 2 wings. The residence hall will also contain a study room, student lounges on each floor, laundry room and 2 staff offices.

Project Executive AVP Suzanne Smith
Project Director..... Bruce Gritters
Project Manager.....Paul Oelze with Kevin Ross
Design Professional LHB, Inc.
Prime Contractor.....McGough Construction
Budget.....\$6,900,000
Schedule..... August 2013

- The project was completed August 2013
- Project was completed on schedule and within budget

Completed Projects

Heritage Hall and Academic Classroom, UMC



Description: The project is a 43,000 gross square foot 141 bed residence hall for freshman and sophomore students and an adjoining academic classroom addition. Each building wing includes a common area kitchenette, study, exercise, and laundry room. The project also includes a commons area, study room, vending, and activity room.

Project Executive AVP Suzanne Smith
Project Director..... Bruce Gritters
Project Manager..... George Mahowald with Kevin Ross
Design Professional Michael J. Burns
Prime Contractor..... Community Contractors
Budget..... \$9,800,000
Schedule..... August 2013

- Phase 1 – Residence Hall construction was completed December, 2012. Students move in January 11, 2013
- Phase 2 – Academic classroom was completed August 1, 2013
- Phase 3 – Classroom technology package and classroom seating installed under separate contract completed July 10, 2013
- Phase 4 – Final grading and landscape completed August 1, 2013
- Project was completed on schedule relative to the occupancy dates, however, it has faced significant challenges in the final completion of the work
- The project was within budget.

Completed Projects

St. Anthony Falls Lab Infrastructure, UMTC



Description: The project will help transform the laboratory into a national shared research facility conducting cutting edge research in the energy/environment nexus, expand its role as major hub for industry/academia collaborations, and strengthen and broaden its educational and outreach missions. Infrastructure renovations include fire/life safety, ADA upgrades, building structural systems, collaborative meeting space, and updated research and laboratory space to meet current and future science needs.

Project Executive	AVP Suzanne Smith
Project Director.....	Bruce Gritters
Project Manager.....	Scott Everson
Design Professional	Perkins+Will
Prime Contractor.....	McGough Construction
Budget.....	\$15,800,000
Schedule.....	September 2013

- Project was fully occupied in August 2013 with Substantial Completion on September 30, 2013
- The project was completed on schedule and is projected to be within budget, subject to full National Science Foundation Grant reimbursement
- NSF continues to review final project scope for alignment with the original grant request

Completed Projects

University Recreation Center Expansion, UMTC



Description: The expansion includes a 148,000 square foot, four-level addition to the existing south side of the University Recreation Center. The program for the expansion consists of the following components: a two-court gymnasium, fitness and weights area, seven multi-purpose rooms, outdoor recreation center with a climbing wall, locker rooms, jogging track, offices, and miscellaneous spaces. The entry of the building also has a café with an associated serve-and-prepare area, public toilets, and a social lounge.

Project Executive	AVP Suzanne Smith
Project Director	Bruce Gritters
Project Manager	Roger Wegner
Design Professional	Studio Five Architects
Prime Contractor	JE Dunn Construction
Budget.....	\$59,600,000
Schedule.....	Summer 2013

- Project received substantial completion and occupancy certificate on May 1, 2013
- Occupant move in occurred starting July 8, 2013
- Grand opening ceremonies occurred the Week of September 3, 2013
- Scholars Walk restoration achieved substantial completion August 2, 2013
- Project was completed on schedule and under budget

University of Minnesota
Final Review of Capital Projects over \$5 Million
Ambulatory Care Center, Project #01-922-12-1781

Policy Summary:

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

Project Summary:

The University of Minnesota Physicians (UMP) and University of Minnesota Medical Center – Fairview (Fairview), together with the University of Minnesota, will create a world class academic ambulatory care center to provide patient and family centered health care services. The Project is located at 910 Essex Street Southeast, Minneapolis, Minnesota; four blocks east of the University of Minnesota Medical Center - Fairview hospital.

The project is five stories high and approximately 330,000 gross square feet. The ACC includes:

- Ambulatory surgery center
- Comprehensive cancer center
- Clinics such as: transplant, cardiovascular, medical specialties, surgery, orthopedics, neurosurgery, neurology, pain medicine and rehabilitation, dermatology/ dermatology surgery, ear/nose/throat
- Ancillary and diagnostic service to support the integration of the care experience and convenience for patients.
- Patient support services, including a pharmacy and café
- Utility infrastructure to the site

Clinical spaces will actively support the incorporation of educational and research for transformative team based care, which will enhance the patient experience and the training experience. The program will also include flexible education/conference spaces to train healthcare professionals of tomorrow including medical residents and fellows, pharmacy students, nursing students, and other disciplines.

Board of Regents Approval Summary:

Six-Year Plan:	June 2012
Capital Budget:	June 2012 and June 2013
Schematic Plans:	December 2013

Project Team:

Architect Team:	Cannon Design, Chicago, IL and Studio Five, Minneapolis, MN
Construction Manager:	McGough Construction, St. Paul, MN

Project Budget:

Future University Debt	\$150,000,000
Mason's Gift	\$10,000,000
<hr/>	
Total	\$160,000,000

Project Schedule:

Begin Construction:	December 2013
Substantial Completion:	September 2015

Consistency of project with approved scope, schedule and budget:

Yes No