

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Facilities Committee

July 11, 2007

A meeting of the Facilities Committee of the Board of Regents was held on Wednesday, July 11, 2007 at 1:30 p.m. in the West Committee Room, 600 McNamara Alumni Center.

Regents present: David Metzen, presiding; Anthony Baraga, Dallas Bohnsack, Maureen Cisneros, David Larson, and Patricia Simmons.

Staff present: Vice Presidents Kathleen O'Brien and Richard Pfutzenreuter; General Counsel Mark Rotenberg; Acting Executive Director Carol Kraus; and Associate Vice President Michael Perkins.

Student Representatives present: Nathan Olson and Jim Irrgang.

SCHEMATIC PLANS

A. Renewable Hydrogen & Ammonia Production Project, West Central Research and Outreach Center, Morris

A motion was made and seconded to recommend approval of the following action:

The schematic plans for the Renewable Hydrogen and Ammonia Production Project, West Central Research and Outreach Center, Morris, are approved and the appropriate administrative officers are authorized to proceed with the award of contracts, the development of construction documents, and construction.

In response to questions from several Regents, Michael Reese, Renewable Energy Coordinator at the West Central Research and Outreach Center, explained that the project is intended to yield long-term economic and environmental benefits, though the profit margins in the short-term will be narrow. In response to a question from Regent Larson, Reese stated that there is limited explosion potential when the raw materials are converted to anhydrous ammonia.

The committee voted unanimously to recommend approval of schematic plans for the Renewable Hydrogen and Ammonia Production Project, Morris.

REAL ESTATE TRANSACTIONS

A. Termination of Spur Track, Driveway, and Blanket Easements Held by Union Pacific Railroad and Acquisition of Access and Construction Easements from Union Pacific Railroad, East Gateway District, Twin Cities Campus

A motion was made and seconded to recommend approval of the following action:

On the recommendation of the President and the Vice President for University Services, the appropriate administrative officers are authorized to execute the appropriate documents providing for the following real estate transaction:

Termination of spur track, driveway, and blanket easements held by Union Pacific Railroad and acquisition of access and construction easements from Union Pacific Railroad, East Gateway District, Twin Cities Campus.

Details of transaction: The University will pay Union Pacific Railroad \$1.5 million to extinguish the spur track, driveway, and blanket easements and to acquire the permanent non-exclusive access and temporary construction easements.

Source of funds: University debt.

Vice President O'Brien announced that the transaction was being presented for review and action to allow for the completion of construction as soon as possible of a surface parking lot on the former ConAgra and Reichold properties and driveway access for that parking lot from 25th Avenue. In response to a question from Regent Baraga, Director of Real Estate Susan Weinberg reported that although a purchase agreement has not been finalized with Union Pacific, she anticipates that the contract will be finalized soon.

The committee voted unanimously to recommend approval of the termination and acquisition of easements held by Union Pacific Railroad.

RESOLUTION TO CONDUCT AN ENVIRONMENTAL REVIEW OF THE PROPOSED NOVA FAR DETECTOR LABORATORY NEAR ASH RIVER, MINNESOTA

Vice President O'Brien introduced General Counsel Rotenberg to present information on the environmental review of the proposed NOVA Far Detector Laboratory near Ash River, Minnesota. Rotenberg explained that while Minnesota law mandates an environmental review for certain projects, it is not deemed necessary for the Far Detector Laboratory Project. However, he is recommending that the University prepare a discretionary Environmental Assessment Worksheet (EAW) for the following reasons:

- The proximity of the project to Voyageurs National Park;
- The intense amount of excavation needed for the project; and
- The significant amount of mineral oil that will be used in the detector.

Rotenberg recommended that the Board of Regents serve as the Responsible Government Unit (RGU) for the environmental review because the University will have jurisdiction over the construction and operation of the project and because of the Board's experience in serving as the RGU for the environmental review for TCF Bank Stadium.

In response to a question from Regent Simmons, Rotenberg explained that the University will not be responsible for any construction-related costs of the project and that a memorandum of understanding is being developed with the Department of Energy regarding the project funding. He added that approval of the resolution does not allow for any expenditure of construction funds.

The committee voted unanimously to recommend approval of the resolution to conduct an environmental review of the proposed NOVA Far Detector Laboratory.

REAL ESTATE TRANSACTIONS

A. Purchase of 22.68 Acres from the State of Minnesota, Department of Natural Resources, Lot 2, Sec. 18, Township 68 N, Range 19 West, St. Louis County

The committee reviewed a proposal for the purchase of 22.68 acres from the State of Minnesota, Department of Natural Resources, Lot 2, Section 18, Township 68 N, Range 19 West, St. Louis County. Director of Real Estate Susan Weinberg reported that the land is being acquired for the construction of the NOVA Far Detector Laboratory. She summarized the location and description of the property and the source of funds, as detailed in the docket materials.

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

B. Purchase of 23.22 Acres from La Minora Properties, Inc., Lot 3, Sec. 18, Township 68 N, Range 19 West, St. Louis County

The committee reviewed a proposal for the purchase of 23.22 acres from La Minora Properties, Inc., Lot 3, Section 18, Township 68 N, Range 19 West, St. Louis County. Director of Real Estate Susan Weinberg reported that the land is being acquired for the construction of the NOVA Far Detector Laboratory. She summarized the location and description of the property and the source of funds, as detailed in the docket materials.

In response to a question from Regent Baraga, Weinberg reported that the University will need to acquire permanent easements on the access road. In response to a question from Regent Simmons, Professor Marvin Marshak explained that the experiment will have a life expectancy of 15 to 25 years, after which time the federal government will remove the experimental materials and the University will be able to re-use the building.

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

CONSENT REPORT

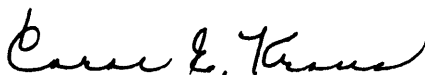
There were no Consent Report items this month.

INFORMATION ITEMS

Vice President O'Brien referred committee members to the Information Items contained in the docket materials, including:

- Final Project Review for TCF Bank Stadium; and
- Final Project Review for the Morris Biomass Heating Plant Addition.

The meeting adjourned at 2:30 p.m.



CAROL E. KRAUS
Acting Executive Director and
Corporate Secretary