

September 2011

2012 CAPITAL REQUEST

Mission

The University's mission, carried out on multiple campuses and numerous locations throughout the state.

The **University of Minnesota**, founded in the belief that all people are enriched by understanding, is dedicated to the advancement of learning and the search for truth; to the sharing of this knowledge through education for a diverse community; and to the application of this knowledge to benefit the people of the state, the nation and the world. The University's threefold mission of **research and discovery**, **teaching and learning**, and **outreach and public service** is carried out on multiple campuses and throughout the state.

Timeline

July 2011

Board of Regents review of the University's 2012
Preliminary Capital Request

September 2011

Board of Regents review of the 2012 Capital Request

October 2011

Board of Regents action on the 2012 Capital Request

January 2012 – May 2012

2012 Legislative Session

Summer 2012

Board of Regents review of 2013 capital budget

Project List (Prioritized)

\$90,000

Higher Education Asset Preservation and Replacement (HEAPR)*

\$200,000

Ambulatory Care Clinic

\$81,000

Old Main Utility Building Renovation

\$6,090

Itasca Biological Station and Labs*

\$21,000

Eddy Hall & Space Optimization

\$11,025

American Indian Learning Resource Center*

**denotes projects previously brought before the Board of Regents and the legislature*

dollars in thousands

Higher Education Asset Preservation & Replacement (HEAPR)

Systemwide

\$90,000*

Project Description

- *HEAPR funds maximize and extend the life of the U's existing physical plant*
- *Individual projects fall into one of four broad categories: health and safety, utility infrastructure, building systems, energy efficiency*

Project Rationale

- *The University's mission will be compromised without continued, sustained investment in buildings and infrastructure*
- *Strategic investments improve energy efficiency and reduce long term operating cost*

**dollars in thousands*

Ambulatory Care Clinic

Twin Cities campus

\$200,000*

Project Description

- *Construct a new academic ambulatory clinic building on the University's Minneapolis campus*
- *Replace and expand existing obsolete, undersized and geographically disbursed clinics that were designed in the late 1960s.*

Project Rationale

- *A new ambulatory clinic facility is critical to the financial health of the University's Medical School as clinical revenue is used to both recruit and retain qualified faculty and to fund a share of their research and education programs*
- *Outdated clinic configurations do not efficiently or cost-effectively accommodate today's requirements related to patient privacy, technology, and integrated care delivery*
- *The outdated clinic infrastructure does not facilitate training of the state and region's future health care professionals*

**dollars in thousands*

Old Main Utility Building Renovation

Twin Cities campus

\$81,000*

*dollars in thousands

Project Description

- *Renovate the Old Main Steam Plant facility to be a multi-utility plant (steam, electricity, and chilled water) serving the Minneapolis campus*
- *Stabilize and update the building infrastructure and install 2 - 7KW natural gas fired combustion turbines functioning as a Combined Heat and Power system*

Project Rationale

- *Cost Control:*
 - *Provides a financial hedge against future electric rates, providing steam and electricity more efficiently*
 - *Reduces University cost for utilities by \$7M per year.*
- *Reliability:*
 - *Addresses projected steam capacity deficiency due to aging boilers and the growth of the campus.*
 - *Reduces risk to Minneapolis campus due to all steam capacity being provided from one remote site*
- *Sustainability:*
 - *Combined Heat and Power plant estimated to reduce campus carbon footprint by 10% or 65,000 metric tons of carbon*

Itasca Facilities Improvements

\$6,090*

Project Description

- *Construct a new campus center to support the basic research, education and outreach of the Itasca Biological Station*
- *Renovate an existing classroom in the Lakeside Lab*
- *Move toward the creation of a sustainable community with the goal of energy self-sufficiency efficiency*

Project Rationale

- *The station provides innovative research and educational programs in an experiential hands-on environment*

**dollars in thousands*

Eddy Hall & Space Optimization

Twin Cities campus

\$21,000*

**dollars in thousands*

Project Description

- *Rehabilitate Eddy Hall for the undergraduate, international and transfer student admissions program*
- *Implement innovative space management strategies in over 100,000 square feet of office and academic support space*
- *Decommission two major East Bank facilities, Williamson Hall and Fraser Hall*

Project Rationale

- *Eddy Hall is the oldest building on the University East Bank Campus and is listed on the National Register of Historic Places as a contributing element of the University's Old Campus Historic District*
- *The building has significant building deficiencies, is programmatically obsolete and is in need of major infrastructure and structural improvements, including exterior tuckpointing*
- *Fraser Hall and Williamson Hall have large one year FCA needs and relatively high operating costs*

American Indian Learning Resource Center

Duluth campus

\$11,025*

Project Description

- *Better serve the American Indian community by providing space for academic and student service programs, classrooms, a computer lab, conference rooms, a great room for large gatherings, and support offices for faculty and students*
- *Co-locate 17 programs, currently scattered throughout the campus, in this new facility*

Project Rationale

- *American Indian students comprise the largest minority population at UMD*
- *UMD's American Indian program is one of the largest in the country*
- *Consolidated programs and facilities will allow the U to better serve its American Indian population*

**dollars in thousands*

Financial Summary

Project	State Share	University Share	Total
HEAPR	\$90,000		\$90,000
Ambulatory Care Clinic	\$100,000	\$100,000	\$200,000
Old Main Utility Building Renovation	\$54,000	\$27,000	\$81,000
Itasca Facilities Improvements*	\$4,060	\$2,030	\$6,090
Eddy Hall & Space Optimization	\$14,000	\$7,000	\$21,000
American Indian Learning Resource Center*	\$7,350	\$3,675	\$11,025
	\$269,410	\$139,705	\$409,115

**denotes projects previously brought before the Board of Regents and the legislature*

dollars in thousands

Resolution

Related to the 2012 Capital Request

WHEREAS, the Board of Regents has directed the administration to annually submit a capital improvement budget and a 6-year capital improvement plan in support of the University's strategic priorities; and

WHEREAS, the Board of Regents recognizes the importance of sustaining and improving the University's facilities in support of teaching, research, and outreach; and

WHEREAS, the administration has developed a capital planning framework designed to focus its capital planning efforts toward projects that support the University's institutional priorities within a financial strategy that is realistic;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents approves the University's 2012 State Capital Request to the Minnesota Legislature in the amount of \$409,115,000 consisting of \$269,410,000 from the State of Minnesota and \$139,705,000 from the University of Minnesota.