



USHE OPERATIONS AND MAINTENANCE NON-STATE-FUNDED FACILITIES

HIGHER EDUCATION

ISSUE BRIEF

SUMMARY

The State Board of Regents has included \$2,893,500 for FY 2013 (Supplemental) and \$4,165,900 for FY 2014 for the operations and maintenance of 11 new non-state funded facilities on three USHE campuses. Since the 11 facilities are non-state funded buildings, they have not previously received any funding for operations and maintenance. Neither the Governor nor the Analyst has recommended this new funding.

OBJECTIVE

Funding of O & M for new and renovated facilities help to maintain the buildings and preserve the State's capital investment on USHE campuses.

DISCUSSION AND ANALYSIS

Several years ago, the Legislature approved a new policy for state-funded buildings, where the O & M for a new building would be funded at the time the building was approved. The O & M funding is appropriated, but is offset with one-time reductions until the building is completed and ready for occupancy. This policy brings the O & M costs to the attention of the Legislature as a cost of the building, not later as a cost that needs to be prioritized with other requests. This policy seems to be working to the benefit of both the Legislature and the institutions. This policy, however, only applies to state-funded buildings, so the O & M for non-state funded buildings still needs to go through the appropriations request process.

University of Utah

The **Sutton Geology Building** is an academic building with O & M costs estimated at \$480,600 for the 90,000 square feet. The completion date was February 28, 2009, so O & M funding is requested for both FY 2013 and FY 2014.

The **Red Butte Arboretum Visitor Center** is non-state funded academic space. It was completed at the end of FY 2009, so would require the full O & M of \$6,800 for both FY 2013 and FY 2014.

The **Meldrum Civil Engineering Building** was completed on July 1, 2010, so needs O & M funding for FY 2013 and FY 2014 in the amount of \$73,800. This represents 11,800 square feet of classroom and office space.

The **Sorenson Arts and Education Building** is academic space that was funded from donors. The building has 85,446 square feet and is scheduled for completion November 30, 2013. The full year O & M costs are expected at \$573,600, but for FY 2014 only, would be \$334,600.

The **Skaggs Pharmacy Research Building** is a 150,000 square foot academic building scheduled for completion February 28, 2013. The full year O & M estimate is \$1,372,800 (FY 2014), but would only need \$442,600 in FY 2013.

The **Kennecott Building** is a renovation and addition, with 31,339 new square feet. The O & M for this academic space is estimated at \$63,600 but with a completion date of August 31, 2013, this amount could be offset with a one-time reduction of \$11,000.

Utah State University

The University has identified four projects for which it is requesting O & M funding:

The University's **Tooele Regional Campus** has added a new wing to the existing building. The project was completed on August 1, 2009 and has an estimated O & M of \$148,000 in both FY 2013 and FY 2014.

The University's **Uintah Basin Campus' Bingham Entrepreneurship and Energy Research Center** was completed on August 1, 2010. This 69,781 square foot building provides business and scientific research support, laboratory space and training in biology, chemistry, geology, and natural resources. The O & M is estimated at \$581,100 for both FY 2013 and FY 2014.

The **Equine Education Center** is on the University's South Farm research site, and provides space for riding and husbandry skills. The FY 2013 and FY 2014 O & M amount is \$418,100.

The **Emma Eccles Jones Early Childhood Education and Research Building** houses the Early Childhood Education Faculty, the National Center for Hearing Assessment and Management, the Language and Literacy Learning Laboratory, Child Language Disorders Clinic, and the Augmentative and Alternative Communication in its 66,000 square feet. The estimated O & M is \$523,300 for FY 2013 and FY 2014.

Weber State University

The University's **Hurst Lifelong Learning Center** houses University relations and the Continuing Education College. The facility was completed in April 2009. The O & M for both FY 2013 and FY 2014 is estimated at \$219,200.

USHE New Facilities Operations and Maintenance

Non-State Funded Projects

FY 2013 and FY 2014

<u>Project</u>	<u>Completion Date</u>	<u>FY 2013 Supp.</u>	<u>FY 2014</u>
<u>University of Utah</u>			
Sutton Geology	2/28/2009	\$480,600	\$480,600
Red Butte Arboretum Visitors Center	6/30/2009	\$6,800	\$6,800
Meldrum Civil Engineering	7/1/2010	\$73,800	\$73,800
Sorenson Arts and Education	11/30/2013		\$573,600
(One-time reduction)			(\$239,000)
Skaggs Pharmacy Research	2/28/2013	\$442,600	\$1,327,800
Kennecott Building Renov./Add.	8/31/2013		63,600
(One-time reduction)			(\$11,000)
<u>Utah State University</u>			
Tooele Regional Campus Classroom	7/1/2009	\$148,000	\$148,000
Uintah Basin: Bingham Entr. Ctr.	8/1/2010	\$581,100	\$581,100
Coll. Of Ag. - Equine Educ.	5/1/2010	\$418,100	\$418,100
Early Childhood Educ. & Research	8/1/2009	\$523,300	\$523,300
<u>Weber State University</u>			
Hurst Lifelong Learning Center	4/1/2009	\$219,200	\$219,200
Total		\$2,893,500	\$4,165,900