



USHE OPERATIONS AND MAINTENANCE NON-STATE-FUNDED FACILITIES

HIGHER EDUCATION
STAFF: SPENCER PRATT

ISSUE BRIEF

SUMMARY

The State Board of Regents has included \$1,947,200 for the operations and maintenance of 13 non-state funded facilities on three USHE campuses. Since the 13 facilities are non-state funded buildings, they have not previously received any funding for operations and maintenance. The \$1.9 million request represents one-third of the estimated annual O & M costs for these buildings. 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. The requested amount of one-third is \$160,200.

The **Red Butte Arboretum Visitor Center** is non-state funded academic space. It was completed at the end of FY 2009. Full year funding for O & M would be \$6,800; one-third of that amount is \$2,300.

The **Meldrum Civil Engineering Building** represents 11,800 square feet of classroom and office space and was completed on July 1, 2010. One-third of the annual O & M of \$73,800 is \$24,600.

The **Sorenson Arts and Education Building** is academic space that was funded from donors. The building has 85,446 square feet and was recently completed. The full year O & M costs are expected at \$573,600, but the request is for \$191,200.

The **Skaggs Pharmacy Research Building** is a 150,000 square foot academic building that was completed in early 2013. The full year O & M estimate is \$1,372,800 with the request of \$442,700.

The **Law School Building** is a 155,900 square foot academic building that is scheduled for completion in February 2015. The full year O & M estimate is \$1,177,100 with the request of one-third being \$392,400.

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 and was recently completed. One-third of the annual O & M is estimated at \$21,000.

The University of Utah's request for O & M for non-state funded buildings is \$1,234,400.

Utah State University

The University has identified five 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 annual O & M cost of \$148,000. The requested amount of one-third is \$49,300.

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 annual O & M is estimated at \$581,100; the requested amount is \$193,700.

The **Equine Education Center** is on the University's South Farm research site, and provides space for riding and husbandry skills. The annual O & M is estimated at \$418,100; one-third of that amount is \$139,400.

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 annual O & M cost is \$523,300, with the request for FY 2015 in the amount \$174,400.

The University's **Tooele Science and Technology Classroom Building** was approved by the 2013 Legislature and is scheduled to be completed March 2015. The building has 28,000 square feet with an estimated annual O & M cost of \$241,000. The requested amount of one-third is \$80,300.

Utah State University's request for O & M for non-state funded buildings is \$637,100.

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 is estimated at \$219,200; the request is for \$75,700.

The total request for O & M for the three institutions is \$1,947,200.

USHE New Facilities Operations and Maintenance

Non-State Funded Projects

FY 2015

<u>Project</u>	<u>Completion Date</u>	<u>Annual O & M</u>	<u>Request FY 2015</u>
<u>University of Utah</u>			
Sutton Geology	2/28/2009	\$480,600	\$160,200
Red Butte Arboretum Visitors Center	6/30/2009	\$6,800	\$2,300
Meldrum Civil Engineering	7/1/2010	\$73,800	\$24,600
Sorenson Arts and Education	11/30/2013	\$573,600	\$191,200
Skaggs Pharmacy Research	2/28/2013	\$1,372,800	\$442,700
Law School	8/31/2013	1,177,100	392,400
Kennecott Building Renov./Add.	8/31/2013	63,600	21,000
<u>Utah State University</u>			
Tooele Regional Campus Classroom	7/1/2009	\$148,000	\$49,300
Uintah Basin: Bingham Entr. Ctr.	8/1/2010	\$581,100	\$193,700
Coll. Of Ag. - Equine Educ.	5/1/2010	\$418,100	\$139,400
Early Childhood Educ. & Research	8/1/2009	\$523,300	\$174,400
Tooele Science & Educ.	3/1/2015	\$241,000	\$80,300
<u>Weber State University</u>			
Hurst Lifelong Learning Center	4/1/2009	\$219,200	\$75,700
Total		\$5,879,000	\$1,947,200

