

INFRASTRUCTURE & GENERAL GOVERNMENT

Presented on
July 30, 2015

FULL COST OF BUILDING OWNERSHIP

Agenda
Item #3

UNIFIED STATE LAB



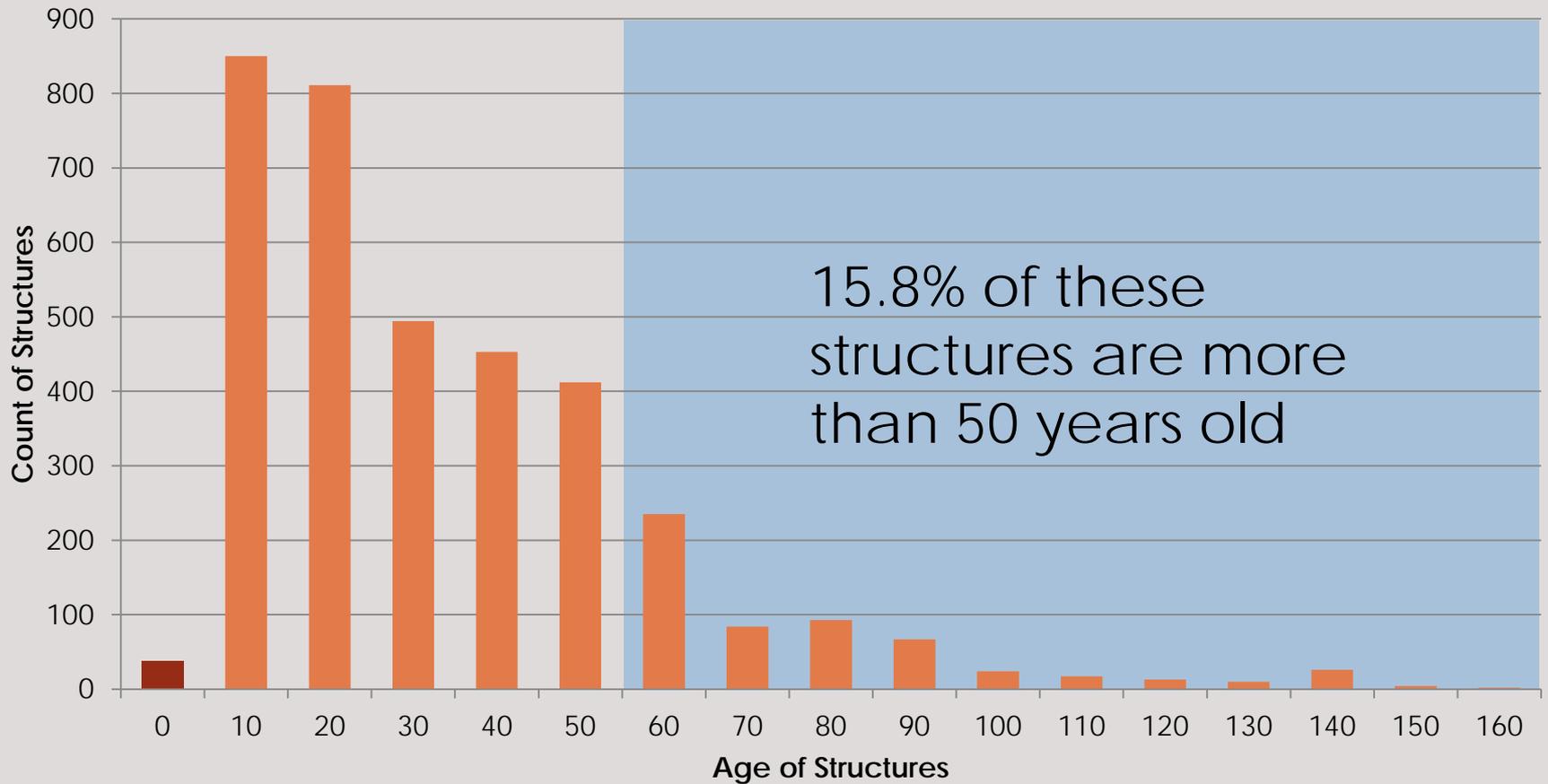
Total estimated cost:	\$ 41,741,781
+ Previous funding:	\$ 2,000,000
+ Capital Renewal:	\$ 26,571,523
+ Infrastructure:	\$ 348,000
+ O&M*:	\$ 42,833,450

**Total Cost of Ownership
over 50 Years** **\$ 113,494,754**

* Annual O&M is \$856,669

Buildings cost more to maintain over 50 years than they do to build.

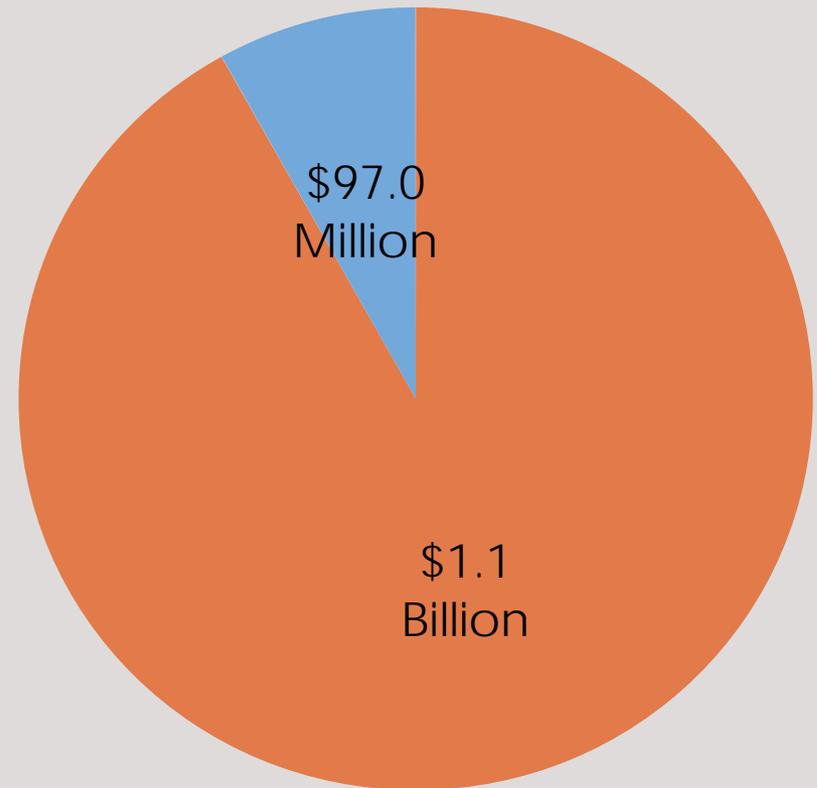
AGE OF STATE AND HIGHER ED STRUCTURES



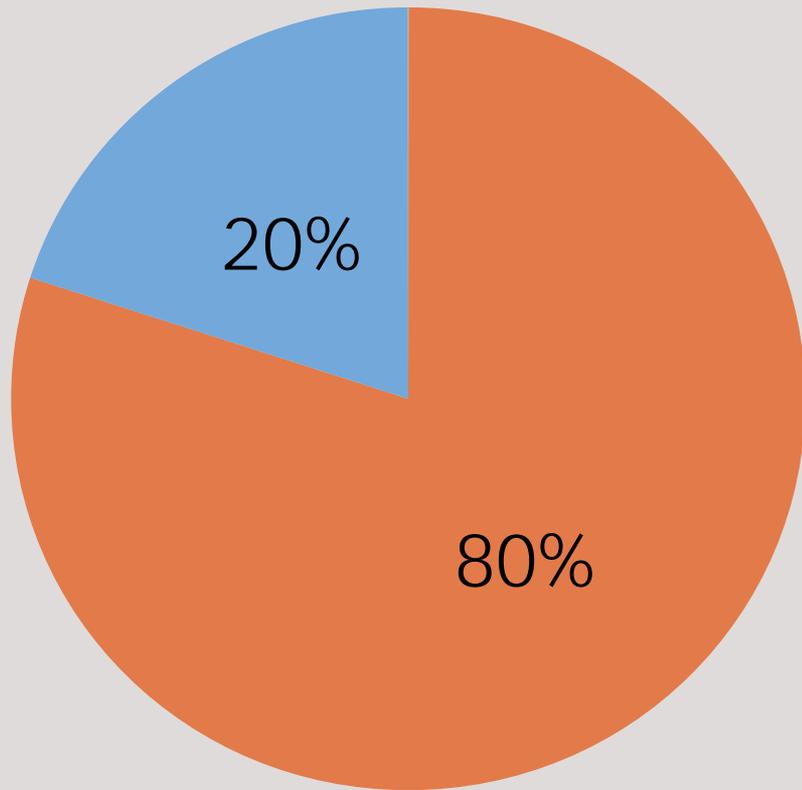
CAPITAL IMPROVEMENT NEEDS

10-YEAR FORECAST: \$1,195,000,000

- Capital renewal - the planned replacement of building subsystems that have reached the end of their useful life.
- Deferred maintenance - practice of postponing capital renewal activities in order to save costs or meet budget funding levels.

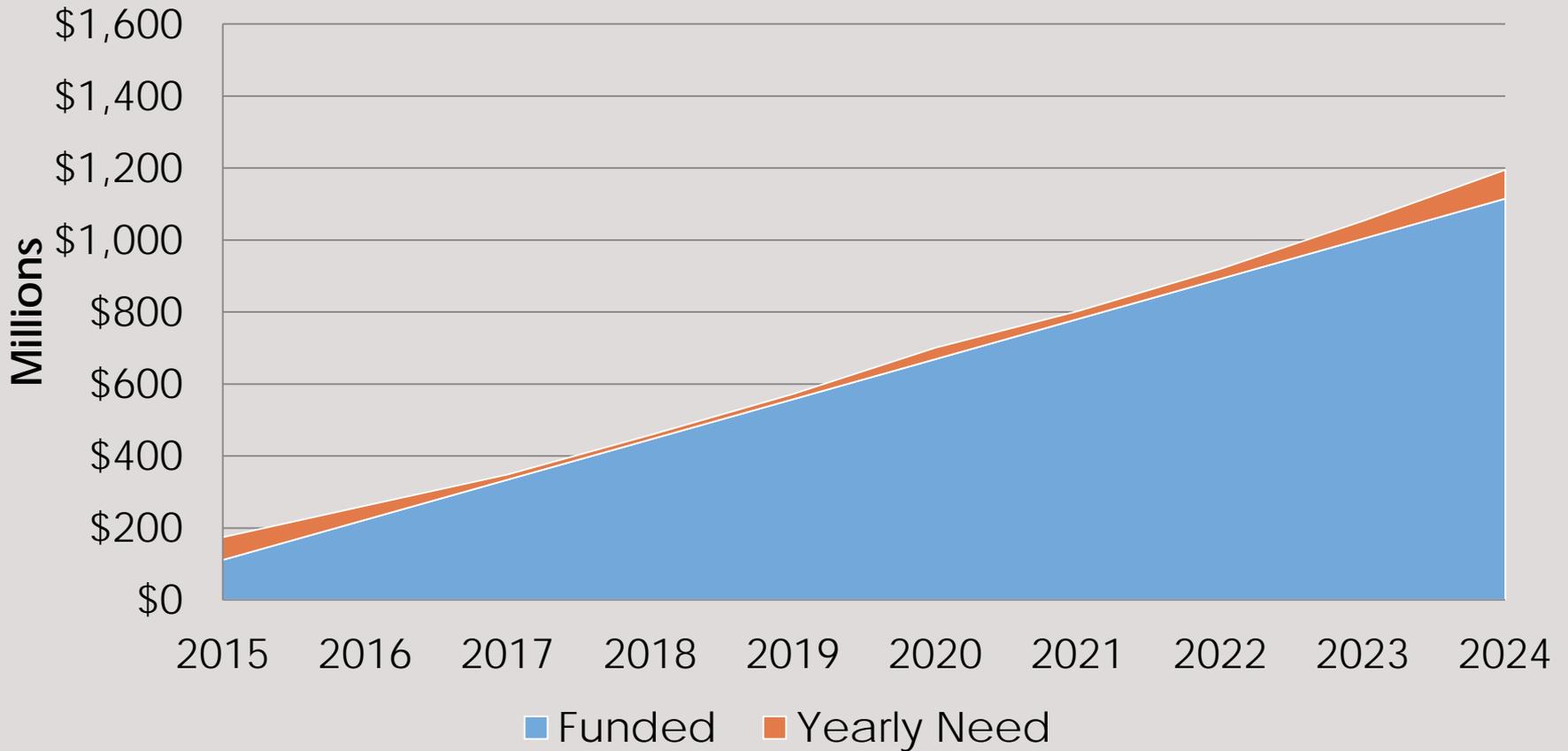


CAPITAL IMPROVEMENT SPENDING

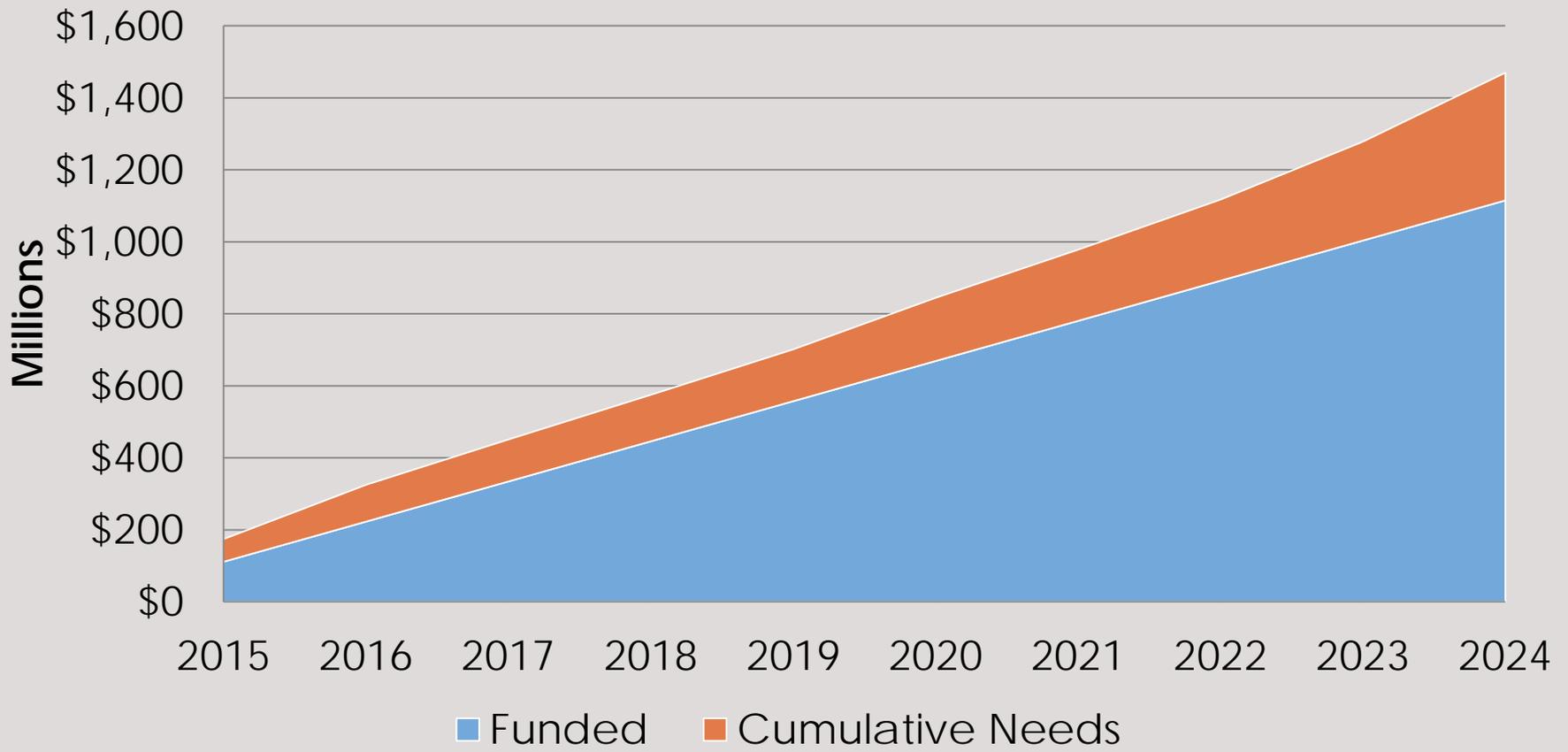


- Needs
 - Capital renewal needs
- Programmatic Needs
 - Remodeling and change of use

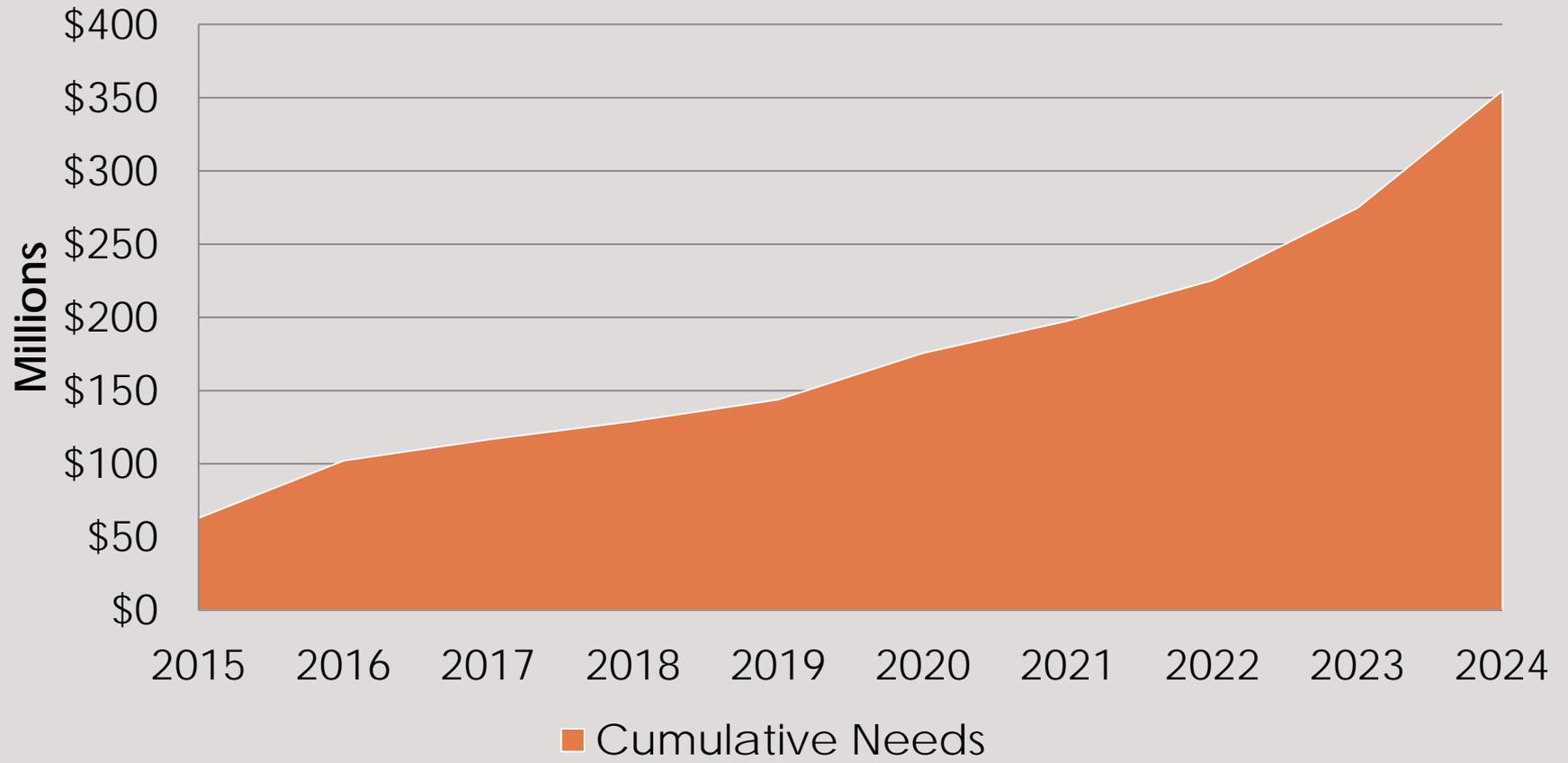
FUNDING AT 1.1%: YEARLY NEEDS



FUNDING AT 1.1%: CUMULATIVE NEEDS



CUMULATIVE NEEDS NOT MET



BUILDING BOARD ACTIONS ON LEGISLATIVE AUDIT 2015-04

- Keep one building inventory database
- Provide the building inventory list to GOMB and LFA (**in progress**)
- Create a policy that requires a set interval review of all Higher Education buildings
- Audit the building inventory list for educational, auxiliary, and partial auxiliary buildings
- Require all entities under jurisdiction to comply with the adopted auxiliary policy