

**ITEM 144-1504-R0909**

**Authorization to Renovate and Design and Construct an Expansion to the Health, Physical Education and Recreation (HPER) Building; Montana Tech of The University of Montana**

**THAT:**

Consistent with the provisions of MCA 18-2-102 and 20-25-302, the Board of Regents of the Montana University System authorizes Montana Tech of The University of Montana to renovate and expand the Health, Physical Education and Recreation (HPER) Building located on its North campus in Butte. This authorization includes approval for Montana Tech to proceed with the \$3,000,000 project utilizing \$260,000 from auxiliary plant funds and applying for and acquiring an InterCap loan in the amount of \$2,740,000 with a 15-year payback period.

Repayment of the loan will be made using a combination of the following:

- a new student fee of \$4.70 per credit hour up to 12 credits per semester (\$56.40)
- \$30,000 per year is available from a previously approved student fee since the InterCap loan to which those fees were committed has been paid
- \$30,000 per year will be paid from auxiliary plant funds.

**EXPLANATION:**

Authority for renovation of an existing building with costs in excess of \$150,000 is requested. This requires the following additional information:

a) Project Description

The HPER Building is a two-story, brick veneer building constructed in 1980 and modified in 1985. This 29-year-old building consists of 86,957 gross square feet of classrooms, locker rooms, offices, shower rooms, exercise rooms, a gymnasium, and other recreational facilities including a swimming pool. This is the only recreational facility available for both North Campus and South Campus students, faculty and staff.

This request is to renovate 25,200 square feet of space to bring the facilities up to standards currently expected by students and to expand the building by approximately 7,000 square feet. The cost of this renovation and expansion is estimated to be \$3,000,000. The new construction is slated to the west of the current cardio/weight rooms and expands both of these facilities plus adds two locker rooms (See HPER Facilities Phase II attachment).

b) Cost Estimate:

Renovation (25,200 square feet)	1,890,000
New Construction (7,000 square feet)	910,000
Administrative Costs and Contingency	200,000
 Total Cost	 3,000,000

Project Funding:

Auxiliary Plant Funds	260,000
InterCap Loan	2,740,000

The InterCap Loan will be repaid using the new student fee and from student fee proceeds previously dedicated to paying for the first

HPER expansion.

c) Programs served, enrollment data, projected enrollments:

This building serves students as both a classroom building and recreation facility. Students requested this project and voted 233 for the project and 45 against. The large turnout in comparison to previous referendum votes is a good indicator of the high value placed on this project by our students.

d) Space Utilization Data

The additional 7,000 square feet of space will be used to expand the locker rooms, cardio room and weight room.

e) Projected uses of any existing space made available as a result of the project.

This space will continue to be used by students as classrooms and for health and recreational purposes.

f) Projected operation and maintenance costs upon completion including proposed funding sources.

The estimated operation and maintenance costs of \$11,000 will be funded from auxiliary funds.

**JUSTIFICATION**

Exercise, fitness and recreation are strong contributors to both good mental and physical health. Clearly, physical fitness is strongly supportive of learning. Without exception, we are seeing more and more students seeking exercise and physical fitness options on our campus. There is a noted change in student demands for recreational opportunities. The requests of current students include more elliptical machines, new weight room technologies and pilates/yoga areas.

Currently, Montana Tech's recreational facilities are in need of repair, upgrades, and expansion. Our students have expressed the following concerns relative to the current HPER complex: too small to accommodate the growing demand for its services from a North campus student body of more than 2,000 students; inadequate ventilation in the cardio and weight rooms; limited locker room space; and lack of availability to students during events within the complex.

Simply put, students want a better, more modern, more welcoming recreational facility. This project will accommodate many of the issues raised by students and allow the campus to provide a greater experience for all users of the HPER complex.

**ATTACHMENT:**

1. HPER FACILITIES PHASE II