

May 19-20, 2016

ITEM 171-2004-R0516

Authorization To Execute Lease for Modular Instructional Lab/Classroom; Montana State University

THAT

The Board of Regents of Higher Education Authorizes MSU to enter into a lease for up to 5 years for the Modular Instructional Lab/Classroom to be installed in the Research Court at Montana State University.

EXPLANATION

1. Montana State University is in need of temporary classroom and lab space to house several engineering programs during the construction of the Norm Asbjornson Innovation Center (NAIC).
 2. MSU plans to lease a temporary modular lab/classroom of approximately 1980/sf to be installed in the Research Court area of Montana State University. The modular lab/classroom will accommodate classroom and lab space for the Maker Space program and other programs associated with MSU's College of Engineering.
 3. The annual lease rate is expected to be approximately \$20.20/sf or \$40,000/year plus initial installation and utility connection costs of approximately \$75,000.
 4. Existing lab/classroom space within the current engineering complex or other buildings within close proximity to the engineering programs are not available.
 5. The new lease will take effect in August 2016 upon installation of the unit in Research Court. The terms of the lease will be for up to an initial five (5) year period, with the option to renew or purchase at a discounted price.
 6. BOR Policy 1003.6, III, B, requires Regents approval for leases that exceed five (5) years in duration or for which total lease payments will exceed \$25,000 per year. Therefore, no lease has been executed.
-

ATTACHMENTS

None