

March 7-8, 2013

ITEM 158-2002-R0313

Authorization to Execute Lease for the Information Technology Center – Montana State University

THAT

The Board of Regents authorizes MSU to execute a lease for MSU's Information Technology Center.

EXPLANATION

1. MSU's IT Center currently resides in multiple locations: 11,453 SF in the basement of Renne Library and 1,493 SF on the 3rd floor of Montana Hall.
2. Lack of space is the factor constraining the IT Center's ability to effectively support the vision and strategy of the university mission and meet constituent needs for research computing, instructional support, student services, automation of administrative support, and effective stewardship of information and resources.
3. Infrastructure services occupy real estate in the campus core better used for student-and faculty services that require convenient access.
4. MSU plans to lease approximately 7,200 SF for use by the IT Center infrastructure services. This leased space is expected to be in the MSU Innovation Campus/ATI Tech Park.
5. The IT Center will continue to occupy a reduced square footage on campus, including administrative offices in Montana Hall and space for embedded infrastructure and student/faculty-support services in the basement of Renne Library.
6. The annual lease rate for the total potential leased area is expected to cost approximately \$87,000 to \$90,000 per year average, including ancillary costs, e.g. insurance taxes, maintenance, etc.
7. The term of the lease is expected to be for an initial 2-5 year period with renewals for additional annual periods at MSU's option. We expect the effective date of the lease to be on or before July 1, 2013.
8. 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

N/A