

November 21 - 22, 2013

**ITEM 161-1501-R1113**

**Purchase of Building in Billings for the Bureau of Mines and Geology; Montana Tech of The University of Montana**

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**THAT**

In accordance with Board Policy 1003.6 (V) – Acquisition by Purchase or Gift, the Board of Regents authorizes Montana Tech to purchase property located at 101 and 107 Grand Avenue in Billings Montana for the express purpose of housing the Montana Bureau of Mines and Geology (MBMG) - Billings operation.

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**EXPLANATION**

The above policy requires Board of Regent approval on acquisition of land by or for any campus of the University System. In accordance with the policy, two appraisals have been obtained to estimate the fair market value of the building and property. The “as-is” appraisals range from \$400,000 to \$425,000.

The two story building was built in 1984 and updated in 2006. It is 6,026 square feet and sits on a 7000 square foot lot with about 20 parking spaces. The size of the building and parking fits the current needs of the Billings staff and provides for potential future growth or rental of the excess space. The space is currently not ADA accessible and, based on the building’s age, will need maintenance in the future. Maintenance could include replacing windows, upgrading the parking lot and replacing the mechanical systems. This site is a prime location and could provide better exposure for the MBMG within the community and surrounding area.

The proposal is to negotiate and purchase the facility with Bureau funds generated through Indirect Costs and a Sales and Service account. Operation and maintenance funds will come from the current funds used to lease space on the Montana State University – Billings campus. Montana Tech will work with OCHE and the Governor’s Office to obtain any required consent to purchase this building.

The MBMG has been located on the Billings campus since the mid-eighties and has understood that the Montana State University – Billings campus had future plans for the Poly Building at that location. During the past year, MBMG staff looked at many locations and buildings around the city of Billings and the Grand Avenue site best meets the wants and needs of the MBMG. The MBMG currently serves all 56 Montana counties and a long term Billings location is essential to continuing the service to that part of the State.

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**ATTACHMENTS**

Attachment 1 – Appraisal #1

Attachment 2 – Appraisal #2