

November 19-20, 2015

ITEM 169-1006-R1115**Request for Authorization to Complete Basement Space, Adams Center, The University of Montana - Missoula**

THAT

Consistent with Board of Regents Policy 1003.7, the Board of Regents of the Montana University System authorizes The University of Montana - Missoula to implement steps necessary to complete the shelled-out space in the basement of the Adams Center.

EXPLANATION**Montana Board of Regents**

The construction of the basement as part of the new Student Athlete Academic Center was previously approved by the Board of Regents in the Conference Call Meeting on June 17, 2013. (ITEM 159-1001-C0613)

This project will complete the previously shelled-out area of approximately 4,400 square feet for the general operations of the Adams Center. The need for additional space in the Adams Center for locker room and dressing room space has reached a critical point. Currently, the Adams Center does not have adequate dressing room space to satisfy the needs of large scale events and building patrons at the same time. These large scale events (concerts, high school tournaments, special events and theatrical presentations) often require eight to ten dressing rooms, the Adams Center only has two. This makes it very challenging to remain competitive in the event business. The lack of dressing room facilities is a deterrent for using the Adams Center for events. The space was shelled-out during the construction of the Student Athlete Academic Center in August 2015. The University would like to move forward with finishing the space at this time. The cost to finish the shelled out space in the basement is estimated at \$1,500,000.

Funding for the project will come from the following sources:

- \$250,000 Adams Center R&R fund (Plant Fund) accumulated via Adams Center auxiliary net revenues
- \$250,000 Private Sponsorship / Donation via the UM Foundation
- \$1,000,000 InterCap Loan – 11 year loan at 1.25% = \$97,868.39 annual payment
 - Source of Debt Service Repayment
 - Facility Venue Fee Addition (\$1 per ticket sold x 80,000 tickets sold per year) - \$80,000
 - Annual Adams Center auxiliary revenue earnings - \$20,000 per year

Information Required by BOR Policy 1003.7

This authority request is for an amount greater than \$350,000, which requires the following additional information:

(1) Project Description:

The work performed under this authority encompasses the construction of an unfinished basement shell as part of the new Athlete Academic Center.

(2) Cost estimate and Funding Sources:

Construction	\$1,300,000
Furnishings and Equipment	20,000
Architectural Fees and Administrative Costs	100,000
Printing and Bidding Costs	5,000
Contingency	75,000
PROJECT TOTAL	\$1,500,000

(3) Detailed List of Funding Sources:

Intercap Loan	\$1,000,000
Adams Center Plant Fund	250,000
Private Sponsorship	250,000

(4) Space Utilization Data:

The approximately 4,400 square feet along with existing space will become 8 dressing rooms and additional building storage space. Portable walls will be installed in four sections of the space in order to create larger dressing rooms. The Adams Center averages 120 event days per year. This space will be used 95% of the time for these events.

(5) Projected use for available residual space:

N/A

(6) Projected O&M Costs and proposed funding sources:

The projected additional operations and maintenance costs associated with this project are approximately \$20,000 per year. The additional Adams Center operations auxiliary revenue as a result of more events will be used to fund these expenses.

ATTACHMENTS

None