

**Deferred Maintenance Sub-Committee of the University Budget and Finance Committee**

**Sub-Committee Final Report**

**March 2007**

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## Executive Summary

The Deferred Maintenance Sub-Committee was formed in December, 2006 with instructions to report findings in March, 2007. The objectives for the Sub-Committee were to 1) understand deferred maintenance, 2) review and clarify deferred maintenance issues, 3) develop recommendations for prioritization and 4) develop a sustainable process to level off and ultimately resolve the deferred maintenance issues.

We report a brief overview of the buildings and facilities maintenance status quo, an outline of national guidelines for maintenance expenditure, broad recommendations for prioritizing future maintenance expenditure, recommendations for possible strategies to address the maintenance backlog and considerations for strategic planning, and recommendations for a sustainable process to level off and ultimately resolve the deferred maintenance issues.

The deferred maintenance burden at the university is in excess of \$200 million, and growing at a rate higher than inflation, with over \$100M attributable to the general education budget and a similar burden attributable to auxiliaries. In the context of the UI yearly budget of approximately \$350 million, this is clearly a large problem.

Our recommendations for dealing with the issue are framed within the UI Strategic Action Plan 2006-2010, and call for alignment of strategic and business plans, to develop long-term, sustainable solutions, including a change of institutional culture, needed to effectively propel UI towards a bright future as Idaho's premier higher education institution.

Recommended approaches and priorities for future maintenance expenditure are:

1. Buildings are integral and should be managed similarly to other UI programs.
2. Best practices need to form part of a sound business plan. Thus, the Sub-Committee recommends an allocation of 4.5% of Current Replacement Value to be routinely included in the UI Annual Budget, to be dedicated to maintenance of buildings and infrastructure.
3. The Sub-Committee strongly recommends prioritizing capital investment and reinvestment in "high stakes," "high return on investment" areas that further the mission and financial stabilization needs of the university. Focus should be given to those functions which directly impact recruitment and retention of students and research central to the land-grant mission. To drive recruitment and retention, the committee recommends investing and reinvesting in residence halls and student instructional areas (labs, faculty offices, classrooms) that are below standard or behind our peers. To drive research, the committee believes in investing and reinvesting in utility infrastructure needs, core research area facilities, and those research areas that are central to our mission and would attract and retain the top researches and drive or facilitate grant and research dollars.

We recommend a range of strategies to address the maintenance backlog and considerations for strategic planning. No single strategy will solve the problem. Implementation of these strategies has the potential to completely solve the deferred maintenance problem:

1. Recognize depreciation costs and include these as an integral part of the annual budget.
2. Develop sinking funds tied to each new construction. Newer buildings will have depreciation charges that exceed the actual maintenance costs of that building in the current period. These costs should be set aside in a sinking fund account so that when that building begins to require significant capital outlays, the funds are ready and available.

3. State Funds: Although the solution to the long-term problem will not be found through state funds, the state should be targeted to provide a ‘one-off’ capital injection in *FY2008* (with *FY07* state budget surpluses), to alleviate long-term accrued, critical maintenance needs.
4. Extensive Remodel / Replacement of Buildings: Providing new buildings will provide a one-time reduction in deferred maintenance. Funds raised in accelerated capital campaigns will alleviate the deferred maintenance issue in the longer term.
5. Giving: Where developed funds can be increased, a portion of the internal funding should be redirected toward campus deferred maintenance needs.
6. Student Fees: Negotiate increased student fees to support general building / facilities maintenance needs.
7. Bonding: The issuance of bonds to address deferred maintenance needs on physical plant which is just as critical to our strategic plan and mission should be carefully considered.
8. Capacity Utilization: By implementing a sound business model in developing strategic direction, more efficient utilization of capital infrastructure will ensue. Cultural change for enhanced use of infrastructure is required. Introduction of a three semester system has huge potential to increase enrollments. Costs of offering additional (summer) sections need to be projected along with the costs associated with increased utilization of both housing and academic buildings together with the potential benefits.
9. Mothballing and demolition of some assets: Some assets with significant deferred maintenance need might be more profitably mothballed or demolished.
10. Public-Private partnerships: Explore the cost-benefit of outsourcing and lease-back, especially for revenue generating properties such as some auxiliaries.
11. Examination of our property and land portfolio: We should manage all assets to maximize their contribution to the university strategic mission. If some assets are more valuable for commercial use, they could be sold or leased with the proceeds used to acquire less expensive or more suitable property.

We recommend the following sustainable process to level off and ultimately resolve the deferred maintenance issues: The range of solutions proposed above have a longer-term focus. The magnitude of the issue at UI (in excess of \$200 million) and the present urgency to deal with it effectively may mean that radical solutions will need to be considered. It appears inevitable that UI will need to streamline via realignment of programs and services and focus on fewer programs of excellence during the medium-term outlook (perhaps to 2017). In addition, we will need to find novel ways to more cost effectively utilize buildings and infrastructure, growing income streams to better utilize the fixed-cost components. Some potential solutions of this type have been recommended above. However, broad input from the UI community will certainly build upon and improve this set of recommendations.

No one recommendation that we have provided will solve the deferred maintenance challenge. However, we believe that the creative use of several of these recommendations could solve the deferred maintenance problem. Such a creative blending of options will involve the commitment and cooperation of many units within the campus. The problem should be addressed using a strategic approach based upon a sound business plan. Furthermore, the solution needs to be clearly defined and presented (broadly communicated) to the UI community as a package, to avoid misinformation and development of poor perceptions. Clear communication will present these strategies as a winning outcome for the entire UI community.

## **Introduction.**

The Deferred Maintenance Sub-Committee of the University Budget and Finance Committee was formed in response to widespread concerns across the University of Idaho community. Both anecdotal and documented evidence indicate that an institutional culture has evolved in which the funding for maintenance and repair of buildings and infrastructure has become too low a priority, relative to other competing needs.

The Sub-Committee was formed in December 2006, with a directive to report its findings in March 2007. The objectives for the Sub-Committee were:

- Understand deferred maintenance
- Review and clarify deferred maintenance issues
- Develop recommendations for prioritization
- Develop a sustainable process to level off and ultimately resolve the deferred maintenance issues.

### *Three Example Case Study Overviews (the reality of the issue).*

Many campus buildings and systems are on borrowed time, operating far beyond their intended life cycle. Catastrophic failure of such systems endangers the delivery of basic programs in affected buildings.

Case 1. Failure / loss of the forty year old chiller serving the Education Building. This failure necessitated the rental and installation of a temporary chiller during the summer of 2006. The building was largely vacated for much of a week because of the excessive building temperatures while awaiting the installation of the temporary chiller.

Case 2. Failure of the water heater serving the Graduate Student Residences. This failure resulted in the loss of hot water for graduate students for an eleven-day period.

Case 3. Within the past year during a period of heavy rains, a chunk concrete from the exterior of Life Science South (1924 bldg) was dislodged and fell, narrowly missing someone standing below. Facilities personnel investigated and found a number of locations around the building with similar condition, and knocked loose materials down to minimize the hazard. The estimate for total building envelope repairs: \$750,000.

In Cases 1 and 2, the equipment was listed for urgent replacement, but faced with inadequate resources, the need remained unmet. These needs became a few of hundreds of similar needs awaiting repair or replacement. It is this accumulation of need that we call Deferred Maintenance.

## **Purpose.**

This report:

- defines 'Deferred Maintenance',
- quantifies 'Deferred Maintenance' at UI and provides a brief overview of the buildings and facilities maintenance status quo,
- outlines national guidelines for maintenance expenditure, providing a reference point to gauge historical expenditure, and as a basis to plan future expenditure,
- provides broad recommendations for prioritizing future maintenance expenditure,
- provides recommendations for possible strategies to address the maintenance backlog and considerations for strategic planning, along with the pros and cons of each option,

- provides recommendations for a sustainable process to level off and ultimately resolve the deferred maintenance issues.

The recommendations in this report have been developed within the framework of the University of Idaho Strategic Action Plan 2006-2010. Success in meeting the four goals of the Strategic Plan is dependent upon a robust brick and mortar infrastructure. Inadequate facilities are a roadblock to teaching/learning goals; they hamstring our ability to grow research activities; and they negatively impact our ability to be successful in outreach/engagement. The issues are particularly aligned with the Organization, Culture and Climate goals:

- Sustain and enhance a positive work climate to enhance the quality of University life.
- Sustain and enhance an organizational structure, policies and procedures that enable the University to attain its other goals.

Our vision is that strategic direction should include a sound business plan as the basis for decisions. Buildings and infrastructure form the tangible base on which a positive culture develops. World-class research, education, and outreach need to be nurtured in world-class facilities. Organizational culture and climate will reflect the physical environment of the institution.

#### **Definition of Deferred Maintenance.**

Deferred maintenance is work that has been deferred on a planned or unplanned basis until funds become available. It represents major repairs and system replacement needs resulting from both the lack of routine, scheduled maintenance, as well as from the need to replace components at the end of their service life.

#### **Quantification of Deferred Maintenance at UI.**

The estimated value of deferred maintenance at the university exceeds \$200 million, with approximately \$100M attributable to facilities supported by the General Education budget and \$100M attributable to facilities supported by the university auxiliaries. This is a very large burden on an institution with an overall yearly budget of approximately \$350 million.

It should be noted that the total liability for deferred maintenance is likely significantly greater than \$200 million. The \$200 million figure is the sum total of various preliminary project estimates generated without the benefit of detailed engineering analysis. Appendix 1 shows details of estimates of deferred maintenance. It is often the case with major deferred maintenance projects that the actual costs of the project significantly exceeds initial estimates. Therefore the \$200 million estimate should be treated as the minimum liability the university faces. It is true, that estimates include 'modernization' projects. However, modernization that is not done has a similar effect. To restate, world-class research, education, and outreach need to be nurtured in world-class facilities. Furthermore, the project lists underlying these figures generally do not include the facility repair needs associated with UI's various CALS and CNR properties located about the state.

In addition, the relative value of deferred maintenance has been increasing for many years. The number increases for two reasons. Firstly, it increases because of inflation: construction inflation has been running at about 5 to 6% a year, sometimes as high as 10%, substantially above the overall rate of inflation (average of last four years, 2.85%). Secondly, it increases because we are not able to completely fund routine maintenance and renewal needs which are then manifested as deferred maintenance. The non-inflationary increase in deferred maintenance

amounts to as much as \$15 million a year for the full range of campus facilities. Thus, the average increase in the deferred maintenance total has been on the order of 10% a year. This means that the deferred maintenance totals are increasing at over \$1.75 million per month, and thus require urgent attention.

Note the average increase in state-appropriated funds to the university over the past four years has been only 3.8% and the overall increase in the university's budget (all funds) has been averaging 1.8%. Thus the growth of deferred maintenance is outpacing the growth of the overall budget to a substantial, dangerous, and unsustainable degree.

The accumulation of deferred maintenance increases other costs, most obviously perhaps routine maintenance (e.g., one has to pay more for obsolete parts—when they can be found) and energy (e.g., old windows, such as those in Brink Hall, do not meet energy efficiency standards).

However, the burden is not merely or even primarily financial. It weighs down almost everything the university does, including teaching, research, athletics, and student recruitment. All these areas demand, indeed increasingly demand, facilities with electricity, plumbing, HVAC, windows, etc., that are appropriate to the demands of a twenty-first century institution.

The Sub-Committee has not specifically quantified the problem on a building-by-building basis, nor addressed specific issues such as utility distribution infrastructure (steam / chilled water / electrical, etc.) nor addressed specific issues on the multiple UI campuses. However, UI is by far the oldest institution in the state. Generally, older buildings have a more urgent need for total replacement or significant replacement of older technology infrastructure. Also, older buildings appear to be most impacted by continuing sub-optimal maintenance funding. Thus, it is important to recognize that *the magnitude of the issue at UI is much greater than at the sister institutions across Idaho. Therefore the UI may not be able to enlist the support of other state institutions to address the situation. Indeed, other institutions may be less than supportive of UI efforts to obtain state support for large deferred maintenance funds from the state.*

#### **National Funding Guidelines for Facilities Maintenance.**

Best practice maintenance and repair standards are an integral part of a sound financial plan for the university. The Association of Higher Education Facilities Officers, APPA, has established benchmark standards for a variety of facility and infrastructure needs:

- Routine maintenance and minor repairs – fund annually at 1.5% of the current replacement value (CRV)
- Capital renewal – major repairs and the replacement of major system components at the end of their useful life – fund annually at 1.5% CRV

University facilities are typically funded at a rate much lower than this, resulting in a growing backlog of unmet facility and infrastructure needs. The above measures do not address the additional need for major building renovations and modernizations, ideally funded at an additional 1.5% CRV annually. One could also consider the fund stream necessary to support the eventual replacement of a building at the end of its useful life. Assuming a target building life of 50 years, this would suggest an additional 2% CRV should be set aside to support the replacement of the facility at the end of its useful life. Table 1 shows typical maintenance expenditure, industry standards and the typical deficit at UI.

**TABLE 1.** Estimated values of capital infrastructure at UI and typical benchmark versus actual maintenance expenditure (All amounts in \$millions, with percentages in parentheses).

Value of Buildings @CRV	Routine Maintenance / Repairs†	Major Repairs / system components†	Building Replacement Fund	Typical Maintenance budget	Annual Deficit
812‡ (100%)	12.2 (1.5%)	12.2 (1.5%)	16.2 (2.0%)	9.0 (1.1%)	31.6 (3.9%)

†Note Association of Higher Education Facilities Officer’s benchmark standards.

‡Reference value from FY2006 insurance documentation.

**Other Institutional Models for Prioritizing Maintenance.**

The Sub-Committee reports two models. At the University of Virginia, capital planning documents now require a funding strategy for both the initial capital investment and subsequent operations and maintenance to be identified before a new building is included in the capital plan. At Colorado State University, special student fees are levied to support general campus maintenance/repair needs.

**Recommendations for prioritizing future maintenance expenditure.**

Clearly there are not sufficient resources to address immediately all of the deferred maintenance and capital needs on campus. The Sub-Committee intentionally decided not to make recommendations at the specific facility or building level, as it is felt that those decisions can best be made by the experts in those areas. Rather, we are recommending areas of high priority for capital investment, and/or repair and enhanced maintenance.

1. Buildings need to be managed like other UI programs. Thus, buildings / facilities that are key to the UI strategic plan/goals must be fully and appropriately funded, perhaps at the expense of other programs less key to the strategic plan.
2. Best practices need to form part of a sound business plan. In addition to the standard APPA guidelines for funding routine maintenance and renewal (annual allocation of 3% of the current replacement value), the institution needs to establish annual funding streams to support ongoing renovation and modernization to include replacement/upgrade of furnishings/fixtures/equipment (1.5% of building value). Thus, the Sub-Committee recommends an allocation of 4.5% of Current Replacement Value to be routinely included in the UI Annual Budget. These funds may be derived from the mechanisms proposed herein.
3. The committee strongly recommends prioritizing capital investment and reinvestment in areas that further the mission and financial stabilization needs of the University. Focus should be given to those functions which directly impact recruitment and retention of students and research central to the land-grant mission. To drive recruitment and retention, the committee recommends investing and reinvesting in residence halls and student instructional areas (labs, faculty offices, classrooms) that are below standard or behind our peers. To drive research, the committee believes in investing and reinvesting in utility infrastructure needs, core research area facilities, and those research areas that are central to our mission and would attract and retain the top researches and drive or facilitate grant and research dollars. Committed, dedicated and smart investment and reinvestment in facilities in

these essential areas will provide a strong return on investment and reduce the current erosion of our assets and ability to successfully compete and thrive.

Ultimately it should be noted that the entire deferred maintenance list must be addressed and it must be addressed now. All projects on the list are a priority for someone in the university. Further, prioritization, given the nature of the problem implies a triage type solution in which the institution has decided to allow some needs to go unaddressed. This is the same approach of deferring maintenance for someone else to address at some point in the future that has created the current backlog. Increased funding and prioritization would help but it will not solve the problem.

### **Strategies to address the maintenance backlog and considerations for strategic planning:**

Recently the university faced a very daunting and challenging problem of addressing retiree health care costs. There are striking similarities between retiree health care costs and the deferred maintenance problem. Both problems have accumulated over the years as problems to be dealt with sometime in the future by someone else. Both had resulted in large liabilities not fully recognized on the university financial documents. Both problems had such large dollar liabilities as to seem almost impossible to address. As with deferred maintenance there were some in the university who did not understand the problem or who questioned the reality of the retiree health care problem. Ultimately, the university developed a sound plan for addressing the retiree health care problem. Therefore, while the deferred maintenance problem may seem extremely daunting with sufficient resolve the university can address this problem just as it has addressed the retiree health care problem.

The Sub-Committee proposes a range of strategies to address the issue of deferred maintenance. Here we provide a brief description of each strategy, followed by the pros and cons of each element.

### **Recognizing Depreciation Costs**

In the past, we have attempted to 'hide' long-term debt in our buildings. Accounting practices must include building depreciation, so that the real cost of maintaining a world-class facility is captured in financial statements. In 2006, the university recognized depreciation charges of \$18,812,934. The university should consider ways to show these charges at the unit level. Doing so would tangibilize the problem across campus leading to a greater realization of the deferred maintenance problem and a greater understanding of the value of our physical assets. Further, depreciation charges must be understood as a non-cash expense that resulted in an offsetting entry on the university books. At the most simplistic, a non-cash expense on the operating statements resulted in an increase in cash of an equal amount in assets. The use of these funds to address the deferred maintenance problem would have a significant and immediate impact on the deferred maintenance problem.

#### *Pros and Cons of Showing Depreciation.*

Showing depreciation (or maintenance) charges at the unit level would be controversial. Unit budgets are already under considerable pressure. If perceived as simply another G&A charge, there would be considerable backlash across the university.

However, if the charges were offset by actual, tangible addressing of deferred maintenance needs, they might be accepted by stakeholders. In other words, if units saw rotten windows replaced, tattered carpet updated, etc., depreciation/maintenance charges might be more readily

accepted. The university would need to “show your nickel at work” to gain support for imposing depreciation and maintenance charges across units on campus.

**Sinking Funds** Linked to the preceding discussion of depreciation charges is the implementation of sinking funds for buildings. For instance, a newer building would likely have depreciation charges that exceeded the actual maintenance costs of that building in the current period. These costs should be set aside in a sinking fund account so that when that building begins to require significant capital outlays, the funds are ready and available. Accumulated funds would be administered through the Facilities/Auxiliaries organizations in support of campus maintenance and renewal needs. Sinking funds would be protected, facilitating their intended, long-term use.

*Pros and Cons of Sinking Funds*

The return on these funds may run below the rate of increase of capital renewal needs. Rather than have funds invested at a low rate of return, the university conceptually might prefer to “borrow” against sinking funds generated by new buildings to address current needs of older assets.

**State Funds**

Although the solution to the long-term problem will not be found through state funds, the state should be targeted to provide a ‘one-off’ capital injection in *FY2008* (with *FY07* state budget surpluses), to alleviate long-term accrued, critical maintenance needs. At this time, UI anticipates it may benefit from a one-time infusion of up to \$8M of additional funding in *FY08*.

*Pros and Cons of a request for State Funds.*

As a state assisted institution it is appropriate for the UI to look to state for funding to address the deferred maintenance problem. Undoubtedly state funds including “one-off” capital injections will provide part of the solution; however, it is unlikely to provide all or even a significant portion of the deferred maintenance backlog. Further, the degree of support from newer state institutions with less deferred maintenance needs may be low. Therefore, the UI needs to look to other solutions besides the standard response of seeking increased state funds.

**Extensive Remodel / Replacement of Old Buildings with New.**

Providing a new building will provide a one-time reduction in deferred maintenance (corresponding to the unmet needs of the building(s) just replaced), and perhaps a short term reduction in annual building maintenance costs, but likely create an increase in annual energy costs, and a long term increase the maintenance funding, as we strive to properly maintain a more complex, and often a more energy-consumptive, and valuable structure than those we tore down. Note that the Sub-Committee recommends pursuing energy efficient technologies in new building construction. Following the example of the University of Virginia, new buildings should have a linked sinking fund, such that they can be funded for the long term. Elimination of assets that have reached the end of their useful life will eliminate ongoing maintenance needs associated with these assets.

*Pros and Cons of Extensive Remodel/Replacement.*

Clearly, building replacement is highly capital intensive and may also increase recurring energy costs. Although new buildings consume capital, if the industry standard funding structure for building maintenance is adopted, maintenance allocations contributed to a sinking fund will

build the pool and provide funds for maintenance allocation to longer established needs in the medium term.

### **Giving**

Anecdotal evidence suggests that some donors have little interest in supporting building maintenance. Where this may be the case, a strategic guideline should be implemented in those programs supported by both internal and developed funds. This guideline suggests that where developed funds can be increased, a portion of the internal funding should be redirected toward campus deferred maintenance needs.

Further, we challenge the notion that donors will not give to support deferred maintenance but only to new buildings. While it is undoubtedly true that obtaining donations for replacement windows is a hard sell, older buildings can be treated as a naming opportunity, as can classrooms. There is precedent for other universities adding names to existing buildings to support fundraising. Further, many buildings in need of significant funds are ones that our donors studied and lived in. Such a personal connection should be able to be capitalized upon. Where donations are sought for new construction, the UI should establish a policy wherein a portion of the donation is to be directed toward the subsequent capital renewal needs of the new structure (by default, this would be toward the wider capital renewal needs of the campus).

#### *Pros and Cons – Giving.*

Raising funds for deferred maintenance is not as easily sold as scholarships and athletics. However, giving needs are not determined strictly by how easy it is to obtain the money but also by how great the needs is. A scholarship to attend an institution that is literally falling down is ultimately going to be of less and less value.

Universities tend to favor endowing a significant portion of their giving. It is tempting to consider an endowment to cover deferred maintenance. However, it is likely that the construction and replacement costs will continue to increase faster than the general inflation rate and perhaps faster than investment returns. Put another way, if the university had \$100 million in gifts for deferred maintenance it would be wiser to spend that money immediately to fix \$100 million of deferred maintenance rather than endow it and use the investment income to fix some much smaller portion such as \$7 – 10 million dollars each year, given that the deferred maintenance cost on the remaining \$93 - \$90 million dollars would grow faster than the rate of investment return. Further, it is also possible that the characteristics of our donors are that they would prefer to see their funds spent to address current problems, rather than endowed to address future problems.

### **Student Fees**

Negotiate increased student fees to support general building / facilities maintenance needs (not just the needs of the SUB, Commons, SRC, Kibbie Dome). Note: fundraising or student fee initiatives are more likely to be supported if the facility need to be addressed can be put into terms of programs supported.

#### *Pros and Cons of Using Student Fees*

Many issues impact student fees. First, UI is currently struggling with hitting its enrollment targets. Adding to the cost of a college education will certainly not make it easier to attract and retain qualified students. Second, the way student fees would be structured and what deferred maintenance needs would be addressed would have to be carefully considered to pass

constitutional muster. Finally, student fees would raise a rather modest percentage of the total required. Total UI enrollment is currently 11,739. A fee of \$100.00 per student per term (likely unrealistically high) would only raise \$1,173,900 or less than \$2.5 million a year, or 1.25% of the deferred maintenance need. Given the imperative of hitting enrolment targets and the difficulty a \$100 fee might create in achieving this goal, it is worth asking if the gain from a student fee is worth the risk. (Tied to a bond issue the impact of student fees might be more effectively leveraged.) Nevertheless, at best, student fees will provide only a modest amount of the solution.

### **Bonding of Deferred Maintenance Needs**

Some of our buildings are in such dire condition that the level of renovation and overhaul might justify the issuance of bonds. Such bonds for auxiliary services needs could be linked to future repayments.

#### *Pros and Cons of Using Bonds.*

The committee is not sure of the degree of bonding the university should consider in light of its credit rating and the current bond market. Nothing should be done to jeopardize the current strong credit rating. If the university feels it can responsibly bond to fund the building and or renovation of athletics facilities, then the issuance of bonds to address deferred maintenance needs on physical plant which is just as critical to our strategic plan and mission should be carefully considered. For instance, it may prove difficult to effectively explain to the university community why athletic facilities can be bonded but not student housing which also has life-safety issues.

### **Capacity Utilization**

By implementing a sound business model in developing strategic direction, more efficient utilization of capital infrastructure will ensue. Buildings and facilities are well utilized Monday to Friday between 09:30 and 3:30, for the fall and spring semesters. Example Case – Cultural change for enhanced use of infrastructure – A potential outcome of introducing a three semester system. Note: possible effects of potentially increased enrollments, and costs of offering additional (summer) sections need to be projected along with the costs associated with increased utilization of both housing and academic buildings together with the potential benefits.

At its most basic and simplistic level, doubling our capacity utilization rate would cut in half our deferred maintenance problem. If we used our buildings twice as much, we would need half as many buildings. Half as many buildings is half as much deferred maintenance. Such an analysis does not acknowledge that some infrastructure would wear out quicker with greater use (carpets, furniture, etc.) but other assets such as roofs are unaffected by capacity utilization. Accordingly, deferred maintenance is influenced by both asset utilization and funding levels.

Moving to a true tri-semester schedule and off-peak use requires a total university solution. Currently, most units on campus view summer school as a losing proposition even if it would benefit the university as a whole.

#### *Pros and Cons of Greater Asset Utilization.*

Increasing asset utilization is a somewhat abstract solution that many might not readily grasp. It will require faculty and students to adjust their thinking – being more flexible in when classes are offered. Indeed, without financial incentives it may prove difficult to move demand from peak to off-peak to facilitate more efficient asset utilization.

To this point it has been argued that the traditional approaches that UI uses to address funding needs are apt to be of limited use. Student fees can at best provide only a modest income stream. State funding is unlikely for truly significant and large portions of the problem. Outside fundraising depends on the ability to make replacing roofs, boilers, and hot water tanks a “sexy” giving proposition. Thus thinking “outside the box” and going beyond income streams must be considered. Addressing asset utilization is one example of such thinking.

One pro of greater asset utilization including summer school is that for the community of Moscow, it represents truly smart and sustainable growth. No additional roads, housing, apartments or stores need be built. The increased consumption of scarce resources such as water will be minimal. Greater summer school thus would provide significant economic benefit to the Moscow community at low cost. This suggests the possibility of a community wide effort to make summer school more attractive to UI students and faculty.

### **Mothballing and Demolition of Some Assets**

Some assets with significant deferred maintenance need might be more profitably mothballed or demolished. This is especially true if capacity utilization can be increased in other facilities reducing the need for those assets in the most marginal condition. However, careful thought must be given to those the cultural, historical, and architectural significance of any asset considered for elimination. The value of some buildings on campus goes beyond their simple physical value. In addition, when renovating buildings we must do this in a culturally and aesthetically responsible manner. Limited project budgets have often resulted in work done on a shoestring or piece-meal basis with outcomes that do not do justice to the buildings’ historical significance or architectural character.

### **Public-Private Partnerships or Sale and Leaseback Arrangements**

Approximately one half of the deferred maintenance problem is in auxiliary services. Many of these deferred maintenance needs are in income producing areas. Further there is ample precedent for both the UI and other institutions turning to private groups to fund and run some campus operations. For instance the university has largely outsourced food services. The Sweet Ave family housing units currently have substantial deferred maintenance needs. Conceivably, an outside organization could be contracted to renovate or rebuild the Sweet Ave apartments. For instance, this organization would pay for the renovations with the university leasing back the property, with the property reverting to the university at the end of the long-term contract. With such contractual relationships, a variety of models exist ranging from the firm simply building/renovating the property with the university leasing the space back to the organization actually running and operating the property. Indeed, the committee has heard anecdotal information that the Sweet Ave property was originally built by an outside firm with the university leasing back the property and obtaining title outright at the end of the lease period.

#### *Pros and Cons of “Outsourcing” and Lease-Back.*

Service quality can be more difficult to obtain when an outside organization has been contracted for services. In essence, what is an internal responsibility now becomes an arms length contractual responsibility with an outside party. Further, there can be serious challenges explaining and defending such arrangements both outside and inside the university. When such arrangements go bad, they tend to go very bad. And some auxiliary units such as student dorms are critical to recruiting and the university mission.

However, some institutions have successfully outsourced. Given the sheer magnitude of the deferred maintenance problem on the auxiliary side and our inability in some situations to deliver the quality expected by students, this option is deserving of further examination. We could explore when and how other schools have been able to do this right and when and why these arrangements sometimes fail. It is possible that consultants might help us evaluate our options. A simple RFP might tell us a very great deal about the viability of this solution as we would be under no obligation to privatize the operations if none of the RFP were to the university's satisfaction.

### **Examination of our Property and Land Portfolio**

The university has recently been demonstrating creative thinking regarding the management of physical property and assets (the Idaho Livestock and Environmental Center in Southern Idaho, the Sandpoint campus initiative.) In general, the concept of greater asset utilization and some private-public management of assets is consistent with the recent willingness of the administration to think creatively to find solutions to some of our problems.

We should manage all our assets to maximize their contribution to the university strategic mission. If some assets are more valuable for commercial use, they could be sold or leased with the proceeds used to acquire less expensive or more suitable property. Excess revenue could be reinvested to address deferred maintenance. In essence, our land and physical plant constitutes a real estate portfolio, and it should be managed to maximize not just its financial return to the university but the enhancement of our mission.

### **Recommendations for a sustainable process to level off and ultimately resolve the deferred maintenance issues.**

The formation of the Deferred Maintenance Sub-Committee and the production and circulation of this report are a first step in developing a sustainable process to address deferred maintenance needs at UI. To solve the problem, we have had to first recognize that there is a problem. The Sub-Committee report should be routed as recommended by the Provost, VP Finance and Administration and the Chair of the University Budget and Finance Committee, summarized as: 1) report to UBFC, 2) UBFC seconded motion to Faculty Council, 3) Faculty Council review and recommendations, 4) Faculty vote at General Faculty Meeting, 5) Recommendations forwarded to President. In addition, the Sub-Committee recommends that following the process outlined above, an abridged version of the report (approved by senior administration and Faculty Council) should be circulated to all colleges and units. Knowledge of the issue and broad acceptance of the recommendations will be enhanced by more effective communication.

Resolution of deferred maintenance issues and development of sustainable processes that adequately address maintenance require cultural change at UI. All levels of the organization must recognize building maintenance is an essential element of being part of a world-class institution. Implementation of an effective maintenance program requires that a dedicated funding stream for an appropriate level of maintenance is built into the fiscal structure of UI. In the long-term, implementation of the strategies outlined above should ensure that UI maintains world-class infrastructure. However, this issue is complex. Providing world-class infrastructure also requires active capital campaigns and other mechanisms to support ongoing maintenance and repairs, necessary capital renewal, planned renovations and modernizations, and the construction of new state-of-the-art buildings and supporting infrastructure. The recommended maintenance strategies contain elements to build maintenance into a philosophy that sustains buildings and systems over the long-term, throughout their useful lives.

The range of solutions proposed have a long-term focus. The magnitude of the issue at UI (in excess of \$200 million) and the present urgency to deal with it effectively may mean that radical solutions will need to be considered. It appears inevitable that UI will need to streamline, via strategic realignment of programs and services and focus on fewer programs of excellence during the medium-term outlook (perhaps to 2017). In addition, we will need to find novel ways to more cost effectively utilize buildings and infrastructure, growing income streams to better utilize the fixed-cost components. Some potential solutions of this type have been recommended above. However, broad input from the UI community will certainly build upon and improve this set of recommendations.

No one recommendation that we have provided will solve the deferred maintenance challenge. However, we believe that the creative use of several of these recommendations could solve the deferred maintenance problem. Such a creative blending of options will involve the commitment and cooperation of many units within the campus. The problem should be addressed using a strategic approach based upon a sound business plan. Furthermore, the solution needs to be clearly defined and presented (broadly communicated) to the UI community as a package, to avoid misinformation and development of poor perceptions. Clear communication will present these strategies as a winning outcome for the entire UI community. If we can find a financially sustainable way to fund our physical plant, we will have given a gift to future students and staff beyond measure.

The Deferred Maintenance Sub-Committee respectfully submits this report for the consideration of the UI community.

## Appendix 1.

Project Title/Description	Est. \$
<b><u>ALTERATION AND REPAIR PRIORITIES for FY 08 (as submitted 1 Jun 06)</u></b>	
Elevator Life Safety Modifications, Phase 3	225,000
LHSOM Repair Failed Steam Pipes in Basement Slab	225,750
Gibb Hall HVAC System Repair	888,930
Nez Perce Drive Repairs - Patch and Overlay	275,000
ARC/CEB Fire Escape Towers Demolition (Life Safety)	534,555
Life Science South Roof Replacement	977,865
Elevator Life Safety Modifications, Phase 4	525,000
Memorial Gymnasium Exterior Envelope Repair	551,300
Buchanan Engineering Building Life Safety	1,007,370
Swim Center Regrout Pool Tile	94,500
Brink and Phinney Hall Window Replacement	1,045,380
Administration Building Auditorium Stained Glass Repairs	236,300
Ridenbaugh - Replace heat system/controls	626,900
Power Plant Boiler D Retrofit and Repairs	367,500
J.W. Martin Lab Reroof/Clerestory Modification	367,395
University Avenue Steam Tunnel Lid Replacement	1,000,545
Stadium Drive (Formerly Greenhouse Street) Extension	914,970
Renfrew Hall Emergency Generator (Life Safety)	228,585
Administration - Replace Hello Steps	149,000
LSS HVAC Upgrade, Phase 3	1,003,300
Renfrew Hall to Law Tunnel, Steam & Chilled Water	1,099,500
<b>Alteration and Repair Priorities for FY 08 Total</b>	<b>12,344,645</b>
<b><u>DEMOLITION CATEGORY PROJECTS for FY 08 (as submitted 1 Jun 06)</u></b>	
615 West 6th Street	47,460
617 West 6th Street	47,460
Line Street Electric Sub Station	237,090
<b>Demolition Priorities for FY08 Total</b>	<b>332,010</b>
<b><u>ADA COMPLIANCE CATEGORY PROJECTS for FY 08 (as submitted 1 Jun 06)</u></b>	
New Elevator - Alumni Residence Center	567,000
New Elevator - Wallace Residence Center, Admin. & Classroom Core	426,300
New Elevator - College of Law	385,350
<b>ADA Compliance Priorities for FY 08 Total</b>	<b>1,378,650</b>
<b><u>MAJOR BLDG. SYSTEMS REPAIR &amp; REPLACEMENT</u></b>	
Ridenbaugh - Replace exterior windows	355,556
Health Center - Replace exterior windows	536,156
Memorial Gym - Upgrade heat system	290,653
Morrill Hall - Replace exterior windows	591,465
Music Building - Recital Hall Acoustical Separation	787,500
Music Building - Replace HVAC and fire systems	1,395,135
Ag. Science - Replace HVAC Systems	1,627,658
Law Building - Replace HVAC and fire systems	1,511,396
Gibb Hall - Replace domestic water copper piping	262,500
SHC - Replace DWV plumbing and heating system	697,568
Morrill Hall - Replace heat pumps with central HVAC on 4th Floor	395,063
Education - Replace Exterior Skin	2,031,750

Alumni Center - Replace DWV plumbing	439,084
Brink/Phinney - Replace heat system and add HVAC	5,192,250
AAN - Upgrade HVAC connect to CW loop	1,754,078
AAS - Upgrade HVAC, connect to CW loop	523,176
BEL - Renovate HVAC and add controls, retire chiller	2,242,826
College of Ed. - Renovate HVAC, connect CW loop, add controls	2,483,250
College of Mines - Renovate and expand HVAC with DDC controls	930,090
CNR - Renovate HVAC, fully upgrade DDC controls	1,984,682
CEB - Replace DW plumbing	697,568
Gibb Hall - Install VAV fume hood controllers, control duct, static VFD	319,718
Admin - Replace wooden windows SW wint, west elevation	290,653
Admin Auditorium - Replace stained glass window frames	871,959
Library - reengineer DDC controls protocol, replace pneumatic TEC's	290,653
Niccolls - Replace and expand HVAC, connect to CW and add controls	627,585
Memorial Gym - Exterior repairs	3,386,250
Power Plant Exterior Repairs	1,312,500
Paint various other buildings	581,306
Food Research - Renovate and expand HVAC with DDC controls	581,306
<b>Major Bldg. Systems Repair and Replacement Total</b>	<b>34,991,334</b>
<b><u>OTHER BLDG. SYSTEMS REPAIR &amp; REPLACEMENT</u></b>	
Administration Exterior Envelope Repair	734,790
Psychology - Replace exterior windows	242,681
Gibb Hall - Retire chiller, connect to CW loop	131,250
Gibb Hall - Replace greenhouse controls	23,252
A&A South Elevator - Controller, fixture and door operator mod.	76,732
Student Union Building Video Production Center Acoustical Separation	78,750
Student Health - Repipe domestic water/drain system	232,523
Add 12 ft. extension LARF incinerator stack	17,439
Campus water filter upgrades - Controls/valves	203,457
CNR Elevator, Upgrade pump unit and fixtures	58,131
Ag Sci Elevator - Complete upgrade	163,928
Education Elevator - Modernization	209,270
Forestry Elevator - Modernization	58,131
Law Building Elevator - Controller	34,878
Law Library Elevator - Modernization	58,131
KIVA - Renovate HVAC and add controls	174,392
Niccolls Building Elevator - ICU	3,199
Janssen Building Elevator - ICU	3,199
Life Sci So Elevator - ICU	3,199
Gibb Hall Elevator - ICU	3,199
Lionel Hampton Elevator - ICU	3,199
Memorial Gym Elevator - Modernization	48,250
Student Union Passenger elevator - ICU	3,199
Student Union Freight elevator modernization	81,383
Veterinary Sci Elevator - ICU	3,199
Buchanan - Elevator controller	26,740
Kibbie East End Elevator - Controller and fixture mod.	50,794
Gibb Hall - Add Phase 2 DDC controls	232,523
Gibb Hall - Replace reheat valves	232,523
Hartung Theater - Add DDC controls	174,392
Hartung Theater - Retire elect. Blr., connect CW loop (after tunnel install)	116,261
Human Resources - Replace rooftop unit and HVAC controls	69,757
Menard Law Add DDC Controls and Upgrade Dampers	257,250
Menard Law - Retire electric boilers (after tunnel addition)	87,196
Niccolls - Replace loading dock	93,009

PEB - Add DDC controls, connect to CW loop, retire roof mount A/C	160,855
Menard Law - Retire R11 chiller (after tunnel addition)	87,196
Executive Residence - Replace A/C package	34,878
Ridenbaugh Hall - Replace DWV plumbing	232,523
Brink/Phinney - Exterior repairs	225,750
Ridenbaugh - Exterior repairs	203,175
Health Center - Exterior repairs	180,570
Morrill Hall - Exterior repairs	225,750
Life Sciences South - Exterior repairs	15,114
Farm Storage Roof Replacement	69,757
Ridenbaugh Roof Replacement	232,523
Barns - Paint	145,327
Refinish wood floors - PEB, Memorial Gym, Admin. Bldg.	29,065
Dairy Barn Milking Parlor and Roof	46,505
Admin Roof - Finial Replacement	157,500
Campus - RO systems upgrades	40,691
Electric Meters and connection to HVAC controls	58,131
SUB - Repair Ballroom Floor	23,252
Campus - Replace condensate return pumps	174,392
<b>Other Bldg. Systems Repair and Replacement Total</b>	<b>5,598,366</b>
<b><u>EXTERIOR CAMPUS AND SITE DEVELOPMENT</u></b>	
Street and parking lot improvements	1,743,919
Wicks Field Renovate Irrigation System	525,000
Perimeter Drive Sidewalk, Lighting and Landscape	367,500
Executive Residence Driveway (curb replacement)	90,300
Line Street - Substation Removal & Conversion to S&D Parking	183,693
Engineering Physics Landscape on South West	997,500
7th Street Pedestrian Improvements SUB to Elm	420,000
University Ave Pedestrian Mall Repairs (Line to Rayburn)	367,500
Line Street Pedestrian Mall (6th to University)	787,500
Pine Street Pedestrian Mall (Idaho to University)	262,500
Idaho Avenue Pedestrian Mall (Pine to Line)	262,500
University Ave Pedestrian Mall (Ash to Line)	420,000
Campus Drive / Line Ext Pedestrian Mall (Circle to University)	787,500
Campus Drive Repairs / Improvements	525,000
Ag Science Plaza (East Side of 51 Wing Entry)	262,500
Nez Perce Drive North Side Sidewalk Development	127,887
Reclaimed Water System Distribution Improvements	472,500
Replace Non-UI light poles with UI Standard Light Poles	58,131
<b>Exterior Campus and Site Development Total</b>	<b>8,661,430</b>
<b><u>SAFETY, SECURITY, ADA</u></b>	
Library Replace Fire Alarm Panel and Devices	131,250
Campus Wide Curb Cut Improvements - Truncated Domes	262,500
Wicks Field Lighting on Bike Path	52,500
Campus Lighting Improvements	787,500
Music Building ADA Improvements	262,500
CEB East Dock & Stairs Renovation	29,065
Campus - Lab safety shower and eyewash upgrades	139,514
Education - Upgrade FA system	46,505
Elect vaults - Grounding connections & Drains	267,401
LSS - Snow melt	23,252
Food Research - manhole and sewer line to Line Street	34,878
Lionel Hampton - Upgrade FA system	11,626
Hartung - Upgrade FA system	11,626
PEB - Replace East Entry	112,875
Administration - North Entry Replace Stair & Tile Mosaic	169,313

Mines - Snow melt	23,252
Student Health Center - Install Elevator	366,844
College of Law Building - Install Elevator	366,844
Wallace Residence Center, Admin & Classroom Core - Install Elevator	406,350
Administration - Ice Melter System Installation	69,757
Admin Elevator - Install ADA Phone	3,089
A&A North - ADA Ramp Removal and Replacement	116,261
ADA Improvements, General Ed Bldgs, per ADA Transition Plan (See Transition Plan for Project Detail)	10,500,000
<b>Safety, Security, ADA Total</b>	<b>12,698,451</b>
<b><u>CAMPUS UTILITY SYS. REPAIR, REPLACEMENT</u></b>	
Commons to SHC - New tunnels (steam, condensate, chilled water)	1,455,591
SHC to 7th St. - New tunnels (steam, condensate, chilled water)	610,372
SHC to Music - New tunnels (steam, condensate, chilled water)	1,534,649
Sweet Ave. to LHC - New tunnels (steam, condensate, chilled water)	1,046,351
Law to Wallace - New tunnels (steam, condensate, chilled water)	871,959
Shoup to Theophilus - New tunnels (steam, condensate, chilled water)	784,763
Admin to Music - Upsized/new steam, condensate, chilled water lines	1,162,613
Theophilus to Living Learning Center chilled water line	122,074
Steam Distribution System, Replace Line Street Supply and Returns	1,575,000
Replace 13.2KV electric system with new underground system	4,650,450
Replace 5KV electric system with 13.2KV - West Farms, Dairy, Sheep Ctr.	4,650,450
Replace 6th Street Greenhouse Steam Line	232,523
Replace Steam Line from Commons to University Ave.	116,261
Wood Fuel Pile Relocation	787,500
Construct #3 Chilled Water Plant and Piping	4,650,450
NCCP - modify #1 chiller for low ambient operation	5,813
Power Plant - Condensate polisher	75,570
W. Campus Power/update utility (study)	174,392
Steam line & Trap repair/replacement (tunnels)	203,457
Water System control line (I Tank to Pump House)	9,301
Power Plant - Remodel inside of Power Plant	290,653
Power Plant - Wood Handling System Upgrade	914,970
Gauss-Johnson Chilled water meter	5,813
Janssen - Chilled water meter	5,813
Engr Physics - Chilled water meter	5,813
Ag Sci. 51 Wing - Chilled water meter	5,813
MPD Substation electric feed	58,131
12" Water Line Farm Road (6th to Perimeter Dr)	127,887
12" Water Line (Lot 57 to Rayburn)	127,887
12" Water Line (Library to Arboretum)	174,392
Kibbie Dome-Extend hot/chilled water piping from plant	581,306
Campus - Utility Master Plan Implementation, Phase 1	2,625,000
<b>Campus Utility Systems Repair and Replacement Total</b>	<b>29,643,017</b>
<b><u>FEASIBILITY AND/OR PLANNING STUDIES &amp; EVALS</u></b>	
Campus - Storm sewer infiltration repairs	34,878
Campus - Street repair and Improvements Master Plan	105,000
Arboretum Detailed Implementation Plan	105,000
Campus - Wayfinding Master Plan	157,500
Campus - LRCDP 10 Year Update	105,000
<b>Feasibility and/or Planning Studies and Evals Total</b>	<b>507,378</b>
<b>Sub-total</b>	<b>106,155,281</b>

University Residence

Tower Fire Alarm System	327,000
Classroom and Info Desk Entry Update and Corner Guards	10,000
Targhee Bathroom Remodel (\$30,000 each)	60,000
Re Roof South Hill Apartments	200,000
Heating/Air Conditioning Unit Replacement (\$1,000 per unit * 85)	85,000
Storage Building Interior Project	75,000
Wallace Student Room Improvements - Concept Rooms - (4 Suites in FY07)	80,000
Tower Storefront Door & Frame Replacement	30,000
LLC Interior Re-Paint (\$10,000 per building)	80,000
South Hill Interior, Windows, & Door Remodel (\$25,000 per unit*132)	3,300,000
GSR Exterior Paint & Siding	150,000
Tower Hot Water Heater Replacement	50,000
Targhee Laundry Room Remodel	20,000
Wallace Fire Door Upgrade (\$3,500 ea doing 3 to 4 per yr)	420,000
Tower Exterior Brick Restoration	517,000
Targhee Lounge and Common Area Update	75,000
WRC Mattress Replacement (\$32,100 per wing @ 2 wings)	64,200
Tower Roof Replacement	85,000
UR Lighting Update	500,000
Tower Lounge & Study Room Update	50,000
Wallace Signage and Evac Floor Plans Update	20,000
Tower Shower Room Remodel (\$30,000 per floor *11)	330,000
Mechanical & Custodial Closet Update	10,000
Tower Halls & Common Area Update	50,000
WRC Basement Upgrades	10,000
Tower Interior Signage	15,000
Wallace Student Room Improvements (\$6,000 per bed * 1047)	6,282,000
Wallace Fire Alarm System	800,000
Tower Elevator Modernization	1,000,000
Tower Mechanical Systems Upgrade & Utility Relocation	1,500,000
Wallace Watersoftner Project	300,000
Tower Water Softner	100,000
Targhee Student Room Remodel (\$3,000 per bed *58)	174,000
Targhee Apt and GA Room (\$10,000 ea)	20,000
South Hill Drainage & Gutters Project	250,000
Family Housing Play Ground Upgrades	210,000
Wallace Roof Project	800,000
Tower Room Remodel (\$4,000 per bed * 407)	1,628,000
McConnell Elevator Project	25,000
McConnell Exterior Paint & Courtyard Update	30,000
LLC Mechanical & Custodial Closet Floors	14,000
LLC Exterior Washing and Paint Touch Up	5,000
Targhee Roof Replacement	100,000
South Hill Sidewalk & Stairs Project	300,000
Wallace Elevator Project	1,700,000
Wallace Lounge Improvements (20 @ \$10,000 each)	200,000
Wallace Interior Door Repaint and Room Number Plaque Update	30,000
Wallace Hall Carpeting	100,000
Wallace AC/GARD Apartment Improvements (\$6,000 ea)	54,000
Tower Exterior Walkway Renovation	250,000
Tower Hall/Common Area Paint	75,000
McConnell Port Upgrade	21,000
McConnell Laundry Remodel & Machine Replacement	75,000
LLC Corner Guard, Chair Rail, Stair Tread Project	200,000
LLC Furniture Skid Pad Project	50,000
Targhee Interior and Door Re-Paint	40,000
Targhee Exterior Re-Paint	40,000
Targhee Stairwell and Closet Updates	15,000

Wallace Exterior Paint & Masonary Repair Project	750,000
Wallace Entrance Sidewalks	250,000
WRC Stair Treads & Hand Rails	200,000
WRC Storefront Replacements	500,000
South Hill Exterior Paint/Siding	1,500,000
South Hill Exterior Entrance Update (\$10,000 per building*12)	120,000
Replace Res. Hall Ethernet	123,468
Replace Family Housing Ethernet	56,110
Re-Key of all UIRES Student Rooms (\$30,000 per floor Wallace & Tower *31)	930,000
Wallace Cable Infrastructure	500,000
Wallace Laundry Remodel	100,000
Wallace Common Area Bathroom Project	750,000
Wallace Storage Area/Trunk Room Upgrade	250,000
Wallace Mechanical Systems Upgrade	1,500,000
Wallace Plumbing Systems Upgrade	2,000,000
Wallace ADA Access	500,000
Wallace Office Space & Conf Room Updates	100,000
Wallace Sprinkler Project	3,000,000
Wallace Student Bathroom Update (\$10,000 ea * 270)	2,700,000
NCC Drive Through Roof Replacement	50,000
NCC Safety & ADA	458,100
GSR Student Room Remodel (\$4000 per unit * 85)	340,000
GSR Laundry Room Card Swipe Access	3,000
Tower Stairwell	135,000
Computer/Technology Room Upgrades	75,000
Tower Windows - reseal all & replace 1st Floor	250,000
Tower Backflow	80,000
Tower Bathroom Toilet & Vanity Area Remodel (\$80,000 per floor *11)	880,000
Tower Mechanical & Custodial Closet Flooring	20,000
Tower Sprinkler System Project (implementation)	836,141
NCC HVAC	200,000
NCC Elevator	200,000
NCC Interior Repairs	310,000
GSR Plumbing and Electrical	250,000
McConnell Room Remodel (\$4,000 per bed * 58)	232,000
McConnell Lounge & Common Area Update + Kitchen & Basement	200,000
McConnell Mechanical Systems Upgrade	150,000
LLC Common Space Security Cameras	30,000
South Hill Satellite Mount Project	50,000
South Hill Vista Exterior Paint	60,000
South Hill Vista Interior Remodel (\$15,000 per unit * 110)	1,650,000
Targhee Electrical Upgrades	250,000
Targhee Plumbing Upgrades	250,000
Elmwood Railing Replacement	25,000
Elmwood Interior Remodel (\$8,000 per unit * 24)	192,000
Community Center HVAC	20,000
Community Center Exterior Repaint	15,000
Community Center Interior Updates	25,000
	<b>46,067,019</b>

<u>Bookstore</u>	
HVAC upgrade	<b>150,000</b>
<u>Parking</u>	
Lot 25 Silver lot - north of Wallace	42,000
Lot 51 Red lot - west of Kibbie	4,500
Lot 17 Red lot - south of Wallace	25,000
Lot 42 Gold lot - Niccolls Bldg	4,500
Lot 29 Meter lot - north of Bookstore	3,200

	<b>79,200</b>
<u>Golf Course</u>	
Clubhouse reroof	
Wiring upgrade in clubhouse	
Lighting upgrade	
HVAC upgrades	
Cart path repair	
Irrigation system repair/reinstall	
Turf equipment upgrade	
<u>Campus Dining</u>	
Hood fire suppression	10,000
New dish machine/dish room remodel @ Wallace	200,000
Steam line to Commons kitchen	15,000
Replace commons gate	25,000
Upgrade cash register macines/software @ Commons	300,000
Replace compressors on freezers/coolers - basement Wallace	25,000
Properly vent pots and pans machine in Wallace	5,000
Properly vent bakery ovens in Wallace	5,000
Carpet and flooring at Bogey's grill	10,000
Kitchen moveable equipment upgrade	
Natural gas to Wallace dining area & saute station	75,000
Refrigeration updates at the salad bar in Wallace	5,000
2-6ft grills in Wallace kitchen	14,000
Vulcan pasta cooker in Commons	4,000
Soft-serve ice cream machine in Wallace	14,000
	<b>707,000</b>
<u>Kibbie Dome</u>	
Safety	14,000,000
Kibbie End Walls	2,000,000
Kibbie HVAC	750,000
Kibbie Fire Suppression	100,000
Kibbie Lighting & Controls	80,000
Consession Mechanical Systems	500,000
Concourse Bathrooms	250,000
Sub Total	<b>17,680,000</b>
<u>VAC (East End)</u>	
East End Re-Roof	150,000
East End Sprinkler and Alarm	550,000
East End Boiler Kibbie Tie-In	50,000
East End HVAC	250,000
Sub Total	<b>1,000,000</b>
<u>Idaho Swim Center</u>	
Lighting and Electrical Upgrade	175,000
Air Handler & HVAC Upgrades	500,000
Resurface Pool Deck	100,000
New High Dive	12,000
Upgrade Sound System	10,000
Repair Underwater Viewing Windows	15,000
Sub Total	<b>812,000</b>
<u>Memorial Gym</u>	
Lighting and Electrical Upgrade	100,000
Air Handler & HVAC Upgrades	1,000,000
New Windows	200,000
Racquetball Floor Redo	50,000

Sub Total	1,350,000
<u>Dan O'Brien Track</u>	
Track and Event Area Upgrades	850,000
<u>Admin Auditorium</u>	
Stained Glass Window Repairs	800,000
subtotal	69,345,219
contingency	17,336,305
architectural design/engineering design	10,401,783
<b>sub-Total</b>	<b>97,083,307</b>
<b>Total Deferred Maintenance</b>	<b>203,238,588</b>