

MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
FINANCE AND FACILITIES COMMITTEE
MEETING MINUTES

Adverse impacts on campus buildings and systems as a result of this winter's heavy snow pack and deep freeze levels are an emerging concern. There have been reports of frozen and burst pipes, some roadway heaving, and utility cost and supply problems. More damage is expected as the frost levels recede. There are no reports of catastrophic impacts at this time.

The chancellor and the presidents have begun conversations on campuses and with statewide bargaining groups and student associations regarding 2016 - 2017 biennial budget planning. Each of the presidents will be hosting a campus dialogue with faculty, staff and students. Similar conversations will occur with all of the statewide bargaining groups and the student associations. Trustees will also be consulted in the upcoming months. The first reading of the legislative request will occur in October.

The Capital Investment Program (CIP) Report was issued and posted last month

In November, 2012, the Board approved revenue fund projects to construct a parking ramp and surface lots to meet the increased demand at Metropolitan State driven by growing enrollment and construction of a student center for activities and programs.

Design and plans have been approved by the city, including the property acquisitions. Mr. Yolitz mentioned that there was rigorous consultation and negotiations with community stakeholders, including neighborhood interest groups, district council leadership, St. Paul city council leadership, Mayor Coleman's office, Representatives Sheldon Johnson and Alice Hausman, and Senator Fong Hawj, Governor Dayton's staff, and Metropolitan State University's staff. In order to proceed with construction, three properties on Bates Avenue needed to be acquired and two of those transactions have already been completed. The third property has been in negotiations for quite some time and the delay of the acquisition is beginning to impact the construction and timeline.

The third property is a single story dwelling on one-tenth of an acre currently vacant. The last offer in late 2013, which included the appraised value (\$125,000) and relocation assistance (\$9,000) failed because title clearance was unsuccessful and since that time, the seller has been uncommunicative.

Because of their experience with such situations, MnSCU has been in contact with the Minnesota Department of Transportation (MnDOT) for assistance in moving forward. The desired outcome is still a mutually agreeable transfer through direct negotiation, however, MnDOT has been asked to conduct a field title survey and conduct an environmental investigation of the property, clear any property interests, along with executing an appraisal update. This would all lead to a best and final offer for direct purchase. If unsuccessful in this attempt, with Board approval today, MnSCU would proceed with a condemnation process outlined under authorities in Minn. Stat. §136F.60,

clearance and the courts would establish a fair price for the property and assist with completing the transaction.

Chancellor Rosenstone said there was success in negotiating and acquiring the other two properties at fair prices. Because of title question and the uncommunicative nature of the seller, agreement has not been reached on the third property. Direct negotiations will continue, but as a last resort, the Board is being asked to approve the ability for MnSCU to exercise eminent domain.

Trustee Vekich asked if there could be assurance given that political constituencies are on board and that there will be no surprises. Vice Chancellor King replied yes; Senate and House leadership, along with legislative leaders and city politicians, are aware of this item coming before the Board and they have been supportive of the projects at Metropolitan State University.

Trustee Krinkie asked why there was a \$9,000 relocation fee if the property was vacant. Mr. Yolitz replied that at the time the offer was made, the seller had personal belongings that needed to be moved.

10

1

Trustee Vekich asked if eminent domain is exercised and the timeline for the construction is pushed out because of it, what additional costs will be incurred. Mr. Yolitz replied that there is not a specific number, but it will be significantly less than the costs resulting from building around the entire property curre4.25 551vui378b9eKng rmtrod semeline for e8e