

UTAH COLLEGE OF APPLIED TECHNOLOGY

AGENDA ITEM

UCAT BOARD OF TRUSTEES

12 January 2017

ITEM: II.P

TOPIC: Potential UCAT Office Relocation

BACKGROUND

Due partly to existing sentiment that UCAT's Central Administration Office be closer to the Capitol and other important State-wide partners and partly to save travel time for meeting attendance, administration is considering the possibility of moving to a Downtown Salt Lake City location. UCAT administration has been at the Thanksgiving Point location since October 2012.

A specific location has not yet been identified, but staff has begun looking for suitable space. The ideal facility will have approximately 4,500 square feet, offices for all staff members, and a board/conference room adequate for Board of Trustees and other system meetings. Markets indicate that space will likely be obtainable for approximately \$25 per square foot per year.

When the current UCAT building is vacated, MATC will occupy the building for Custom Fit training and offices for college staff. MATC has an opportunity to partner with UVU for its nursing program. Space is currently the greatest factor limiting MATC's growth potential. Moving Custom Fit to the current UCAT building will allow the nursing program to expand into space currently utilized by Custom Fit.

The UCAT building is owned by the State Building Ownership Authority and was financed via a lease revenue bond. UCAT is leasing the building from the State for \$95,544 per year for just under 20 years paid quarterly. Ownership will transfer to UCAT once the bond is retired. The final payment is scheduled for May 2031. Additionally, UCAT contracts with the State Division of Facilities and Construction Management (DFCM) for operation and maintenance services for \$32,880 annually for a total cost of occupancy of \$128,424.

Based on the preliminary assumptions, costs at the new location will be approximately \$112,500 per year for projected annual savings of nearly \$16,000. MATC employs staff who perform facility and grounds maintenance, so the amount paid to DFCM will be saved.

RECOMMENDATIONS

UCAT administration recommends the Board of Trustees authorize the UCAT Commissioner and staff to seek a Downtown Salt Lake City location and MATC to occupy the current UCAT building once vacated.

