1. **Issue:** UND is re-focusing maintenance priorities for an improved ROI in facility function, specifically as it relates to student impact. Doing so requires that UND obtain authorization to 1) increase the previously approved project cost on O'Kelly Hall, and 2) transfer previously approved deferred maintenance pool funds from the Merrifield Hall project. In addition, with operations within Montgomery Hall transferred to the newly vacated Columbia Hall (old SMHS), the planned elevator modernization can be postponed, with those funds transferred to the elevator needs in Clifford Hall.

2. **Proposed motion:** Authorize UND to proceed with an amended scope of work for various campus deferred maintenance needs and nullify specific items within the December 10, 2015 SBHE approval to proceed with various renovation, code upgrade and deferred maintenance work in Merrifield Hall ($450,000) and the Montgomery Hall elevator modernization ($100,000) as neither project was started. Further authorize UND to increase spending authorization for O'Kelly Hall classroom renovations from $5,000,000 to $5,450,000, an increase of $450,000 to be paid from previously approved deferred maintenance work in Merrifield Hall. Funds identified for the Montgomery Hall elevator ($100,000) would be applied to the elevator upgrade in Clifford Hall.

3. **Background:** O'Kelly Hall is a main-stay facility for core Arts and Sciences programs at UND and has a central location on campus. Merrifield Hall is also a mainstay core Arts and Science facility, but has a lower priority for renovations. Montgomery Hall operations have been moved to Columbia Hall pending further utilization review.

4. **Financial implications:** Financial impact will be a positive increase on scope of work as it will focus resources on one project (O'Kelly) vs. two projects (O'Kelly and Merrifield).

5. **Academic implications:** The increased spending on classrooms will have a direct, positive impact on academic success at UND.

6. **Legal/policy issues:** None

7. **Review Process:** Reviewed by Tonder

8. **Enclosures:** SBHE agenda item

9. **Contact person:** Alice Brekke, VP for finance and operations, alice.brekke@UND.edu, 701-777-3511

10. **Chancellor’s Recommendation:** Chancellor approves