

November 4, 2015

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Utah State University – Space Dynamics Laboratory Phase II Facility (Non-state Funded Capital Development Project) & Accompanying Revenue Bond Authorization Request

Issue

Utah State University (USU) requests authorization to construct a \$12 million, 37,500 square foot, non-state funded facility as Phase II of the Space Dynamics Laboratory. USU also seeks approval to request bonding authorization of the Utah State Legislature. The facility will be located at the Innovation Campus in Logan, Utah to house the C4ISR Systems Division.

Background

The Space Dynamics Laboratory Phase II will provide an additional 37,500 square feet for the growing C4ISR division in conjunction with the Phase I project (for which bonds were recently issued in September 2015). The C4ISR develops advanced intelligence, surveillance, and reconnaissance (ISR) technologies to support various control, communications, and computer system needs (C4). These technologies are in heavy demand by industry, the science community, the military and that demand has exceeded the capacity of current leased facilities. This request will provide offices, laboratories, and conference rooms needed to meet program needs and growth. Utility and site work were included in the Phase I project and construction of both Phase I and Phase II are expected to occur together if this project is approved.

USU requests approval of Phase II of the Space Dynamics Laboratory in order to obtain legislative authorization to bond for up to \$12 million for the construction costs of the project. The bonds will be issued as part of the USU Research Revenue Bond System that is funded with reimbursed overhead from research programs. If approved by the Legislature, the final financing arrangements for this Phase II project will be brought back to the Regents for approval. No state appropriated funding for ongoing operation and maintenance (O&M) or capital improvements will be requested.

Additional details regarding this project may be found in the attached letter and site plan from the University. Representatives from the University will be at the meeting to address questions from the Regents.

Commissioner's Recommendation

The Commissioner recommends that the Regents, after careful consideration of the merits of the project, approve the University's request for Phase II of the Space Dynamics Laboratory facility including authorization to request legislative authority to bond.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/RPA
Attachment

October 21, 2015

Commissioner David L. Buhler
Utah State Board of Regents
Board of Regents Building The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Subject: Phase 2 of the Space Dynamics Laboratory Facility

Dear Commissioner Buhler:

Utah State University requests approval to construct phase 2 of the Space Dynamics Laboratory (SDL) facility, a non-state funded project, located at the Innovation Campus in Logan, Utah to house the C4ISR Systems Division that develops advanced intelligence, surveillance, and reconnaissance "ISR" technologies to support a wide variety of command, control, communications, and computer "C4" system needs.

The C4ISR division's existing facilities have reached maximum capacity and are limiting new growth. Currently C4ISR is housed in four separate buildings on the Innovation Campus. Three of the four buildings are being leased and are not sufficient to meet all of the program needs. This new facility will bring the C4ISR division back together and eliminate the need to lease additional space that may require extensive building modifications.

In September 2015, \$18 million of bonds were issued to begin construction on phase 1 which includes 46,500 gross square feet of new space. Phase 2 of the new facility will add additional space up to a maximum of 37,500 gross square feet with a total cost not to exceed \$12 million. Phase 2 will include offices, electronics and computer testing laboratories, computer server rooms, conference rooms, and a marketing board room. No funds will be requested from the State for operations and maintenance. Phase 2 will be funded with proceeds from bonds issued under Utah State University's existing Research Revenue System.

We appreciate your support and ask that you present this item to the Board of Regents for approval during the November 13, 2015 meeting. This request will receive Board of Trustees approval on October 30, 2015.

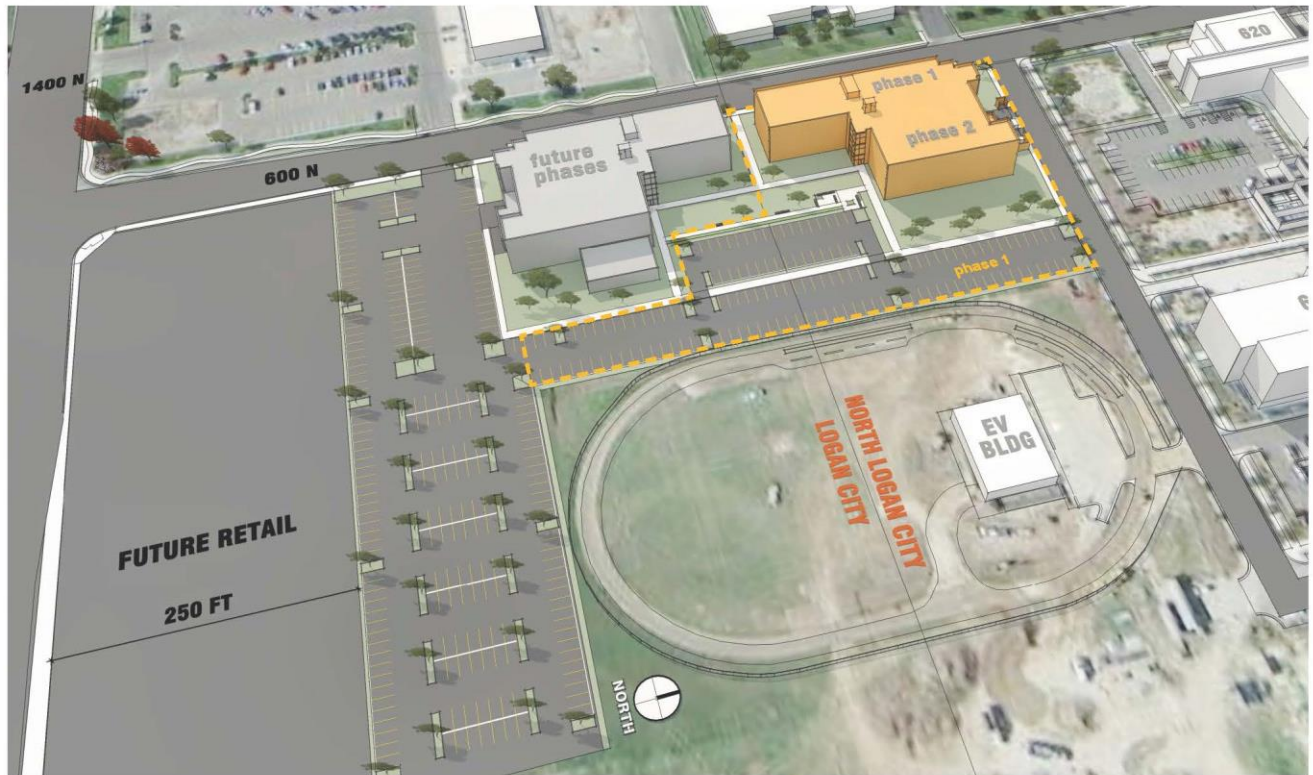
Sincerely,



David T. Cowley
Vice President for
Business and Finance

C: Gregory L. Stauffer, Associate Commissioner for Planning, Finance, & Facilities
Rich Amon, Assistant Commissioner for Business Operations
Stan Albrecht, President
Charles Darnell, Associate Vice President for Facilities

**ONE BUILDING SCHEME
MASTER PLAN**



C4ISR Site at the USU Innovation Campus. Image courtesy CRSA Architects

**OPTION B
VIEW FROM SW**



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