

Summary of Proposed Action SBHE Meeting – May 23, 2018

1. **Issue:** Harris Hall and the Meats Lab currently house crop quality, food science, and meat science teaching and research programs critical to maintaining or advancing the cereal chemistry/cereal quality, food science, meat science, and food safety and security programs at NDSU. NDSU seeks authorization to raise \$6 million for construction of a new \$60.0 million facility to address the health, safety, food grade, and code issues of the current facilities. The \$60.0 million building will be the #2 priority in NDSU's 2019-21 capital project request.
2. **Proposed motion:** Authorize NDSU to begin a formal fund raising campaign for a portion of the [Ag Products Development Center](#) through the NDSU Foundation and Alumni Association with a target amount of \$6,000,000. A state general fund appropriation will be requested for the remaining \$54.0 million of project costs.
3. **Background:**
 - Harris Hall is not a sprinkled building and is physically attached to Northern Crops Institute (NCI). There is a high risk of fire or explosion due to the dust created by the activities in both of these buildings. HVAC is inadequate, resulting in recirculation of grain dust generated by milling cereals, pulses and oilseeds.
 - Cleaning/sanitizing/sterilizing the Meat Lab is difficult due to a poor HVAC system, no integrity of the floor, and poor insulation of refrigerated/freezing facilities, increasing the potential for mold and bacterial growth. Shared ventilation system between the arena and Meats Lab can cause contamination and issues with dust, creating a concern for product that is sold, for academic teaching, and for quality meat research.
4. **Financial implications:** The utilities will increase slightly with the additional equipment included in the facility, but will be offset by the savings realized in demolishing the greenhouses. These costs will be funded by appropriated general funds.

NDSU is requesting fundraising authorization with a target of \$6,000,000 in private funds; the \$54.0 million balance will be requested as a state general fund appropriation.
5. **Academic implications:** None
6. **Legal/policy issues:** NDSU seeks authority to raise funds as per SBHE policy. Prior to initiation of the project, it must be submitted to the legislature for approval. If a state general fund appropriation is received and sufficient funds are raised, NDSU will return to the SBHE for authorization to proceed.
7. **Review Process:** Reviewed by Tonder
8. **Enclosures:** (agenda item and related material)
9. **Contact person:** Bruce Bollinger, NDSU VP for Finance and Administration
10. **Chancellor's Recommendation:** Chancellor Hagerott recommends approval.