



# MEMORANDUM

October 4, 2024

## Fiscal Year 2025-26 USHE Capital Budget Recommendation – Technical College Non-Dedicated Capital Projects

The Commissioner’s office received three technical college non-dedicated capital project requests for Board consideration in its FY 2025-26 capital budget recommendation. These three projects were scored according to the FY 2025-26 capital development priority guidelines, which yielded the following results:

Institution	Project	Economic Demand (30%)	Space Utilzn (30%)	Space Need (15%)	Imminent Non-Funct (10%)	Cost Effctnss (10%)	Alt Funding (5%)	Total (100%)
DXTC	Trades & Technology Building	30	30.0	8.8	0	3.3	0.0	72.1
SWTC	Public Safety Building	30	24.1	6.5	0	3.3	1.0	64.9
UBTC	Health Sciences Building	18	18.6	7.6	0	3.3	0.0	47.5

While serving as a useful benchmark for initial Board review, the scoring results depicted above warrant qualification. Data limitations, scoring methodology shortcomings and potential forthcoming space utilization definitional changes all contribute to the Commissioner’s recommendation that the Board adopt a final prioritization ranking that incorporates considerations outside of the formal quantitative scoring framework.

Institution	Capital Project	Amount	O&M
Dixie Tech	Trades & Technology Building	\$73,491,800	\$965,200
	Dedicated Project Fund Allocation	<u>-\$1,778,900</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$71,712,900</b>	<b>\$965,200</b>
	<b>New Income Tax Fund Requested – Programming</b>		<b>\$1,200,000</b>

### Dixie Technical College – Trades & Technology Building

Project Cost Estimates				
New State Funds	Dedicated Funds	Other Funds	Total Project Cost	New O&M Funds
\$71,712,900	\$1,778,900	\$0	\$73,491,800	\$965,200

Project Space - Gross Square Footage			
New	Renovated	Demolished	Cost per Sq Ft (24\$)
91,700	0	0	\$550

This project will add 91,700SF of learning space to the Dixie Tech campus and allow the college to meet its mandate to provide a technically skilled workforce to meet local industry demand in the fastest-growing region in the state. The project will enable Dixie Tech to meet strong and unmet demand by industry for graduates in Dixie Tech's Transportation Technologies, Construction Tech, and Computer Tech programs by creating new space for them, allowing growth in the equally in-demand Medical/Healthcare and Welding programs.

**Dixie Technical College Recent Legislative Capital Projects Funding History**

2016 Dixie Technical College Permanent Campus \$31,900,000

<b>Institution</b>	<b>Capital Project</b>	<b>Amount</b>	<b>O&amp;M</b>
Southwest Tech	Public Safety Building	\$25,031,000	\$295,100
	Dedicated Project Fund Allocation	-\$1,586,500	
	Institutional Funds	<u>-\$1,000,000</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$22,444,500</b>	<b>\$295,100</b>
	<b>New Income Tax Fund Requested – Programming</b>		<b>\$400,000</b>

**Southwest Technical College – Public Safety Building**

Project Cost Estimates				
New State Funds	Dedicated Funds	Other Funds	Total Project Cost	New O&M Funds
\$22,444,500	\$1,586,500	\$1,000,000	\$25,031,000	\$295,100

Project Space - Gross Square Footage			
New	Renovated	Demolished	Cost per Sq Ft (24\$)
27,484	0	0	\$515

By relocating to a new, purpose-built facility, Southwest Technical College can better accommodate projected growth, enhance training capabilities, and repurpose the existing space to expand in-demand manufacturing programs. This new Public Safety Building at Southwest Technical College will significantly expand the college’s capacity to offer comprehensive training programs in Firefighting, Emergency Medical Technician (EMT), Advanced Emergency Medical Technician (AEMT), and Paramedics. This facility will meet the growing demand for skilled public safety professionals in the region. The relocation of these programs will free up space in the existing Health Professions and Trades Building, which will be repurposed to expand the college’s manufacturing programs.

**Southwest Technical College Recent Legislative Capital Projects Funding History**

2015 Allied Health and Technology Building \$19,300,000

<b>Institution</b>	<b>Capital Project</b>	<b>Amount</b>	<b>O&amp;M</b>
Uintah Basin Tech	Health Science Building	\$74,961,300	\$1,021,900
	Dedicated Project Fund Allocation	<u>-\$1,091,500</u>	
	<b>New Income Tax Fund Requested</b>	<b>\$73,869,800</b>	<b>\$1,021,900</b>
	<b>New Income Tax Fund Requested – Programming</b>		<b>\$2,750,000</b>

**Uintah Basin Technical College – Health Science Building**

Project Cost Estimates				
New State Funds	Dedicated Funds	Other Funds	Total Project Cost	New O&M Funds
\$73,869,800	\$1,091,500	\$0	\$74,961,300	\$1,021,900

Project Space - Gross Square Footage			
New	Renovated	Demolished	Cost per Sq Ft (24\$)
92,486	0	0	\$540

UBTech’s new Health Science building will be the educational foundation supporting the growth and expansion of the region's medical services. Historically, 90% of the support staff in the region's two expanding medical centers receive or begin their educational training at the college. The new Health Science Building includes space for expanding student capacity of the college’s existing healthcare-related programs and courses, including but not limited to Practical Nursing, Medical Assistant, Nursing Assistant, Pharmacy Technician, Surgical Technician, and additionally in Anatomy and Physiology, Sports Medicine, Exercise Science, Medical Terminology, Medical Math as well as Line Cook and Culinary Arts. As the Health Science building is funded, the college will add Dental Assistant, EMT/Paramedic, Ultrasound Technician, and Meat Science programs, which the local industry has requested for years.

## USHE Institution Recent Legislative Capital Projects Funding History

Institution	Year	Building/Project	Amount	O&M
SUU	2021	Academic Classroom Building	\$43,013,700	\$806,400
BTECH	2021	Health Science and Technology Building	\$38,059,600	\$624,000
UU	2021	Applied Sciences Building	\$60,000,000	\$646,500
USU	2021	Heravi Global Teaching & Learning Center	\$14,500,000	\$332,100
SLCC	2021	Herriman Campus General Education Building	\$32,674,800	\$1,026,500
DSU	2021	Land Bank	\$15,000,000	
DTech	2021	Land Purchase	\$1,000,000	
			<b>\$204,248,100</b>	<b>\$3,435,500</b>
UVU	2022	Engineering Building	\$80,000,000	\$1,755,200
UU	2022	School of Medicine	\$60,000,000	\$162,100
UU	2022	Interdisciplinary Computing Building	\$4,800,000	
UTU	2022	General Classroom	\$56,085,000	\$868,600
USU	2022	Veterinary School	\$32,260,500	\$194,600
USU	2022	Monument Valley	\$5,000,000	
WSU	2022	David O McKay Education Building	\$27,132,200	\$171,200
SUU	2022	Music Center Renovation	\$19,500,000	\$164,000
SUU	2022	Stadium Flood Repair	\$9,200,000	
SLCC	2022	Applied Technology Center	\$5,000,000	
MTECH	2022	Payson Campus	\$47,922,000	\$798,700
DTECH	2022	Campus Renovations Phases	\$20,366,000	\$117,500
TTECH	2022	Building Expansion	\$24,749,000	\$597,400
BTECH	2022	Land Bank	\$16,500,000	
			<b>\$408,514,700</b>	<b>\$4,829,300</b>
UU	2023	Interdisciplinary Computing Building	\$108,344,200	\$2,302,251
Mtech	2023	Wasatch Campus Building	\$65,736,456	\$848,202
USU	2023	Huntsman Experiential Learning Center	\$10,236,738	\$393,500
USU	2023	Science Engineering Research Building	\$4,975,859	
WSU	2023	Engineering Technology Building Renovation	\$8,332,354	\$339,721
SUU	2023	Business Building West Addition	\$12,500,000	\$92,061
SLCC	2023	Business Building Expansion & Remodel	\$18,092,304	\$767,402
WSU	2023	Land Bank - Farmington Station	\$5,723,780	
Snow	2023	Land Bank - Triple D	\$3,000,000	
Snow	2023	Land Bank - Jorgensen Property	\$850,000	
Snow	2023	Land Bank - Nephi Property	\$2,000,000	
Mtech	2023	Land Bank - Wasatch Community	\$3,000,000	
			<b>\$242,791,691</b>	<b>\$4,743,137</b>
Snow	2024	Social Science Classroom & Lab Building	\$40,987,000	\$455,100
OWTech	2024	Pathway Building	\$84,170,500	\$630,100
USU	2024	Veterinary School Building	\$9,000,000	
USU	2024	Human Resources Building	\$4,991,300	
SUU	2024	Hwy 56 Phoenix Plaza	\$4,635,000	\$162,600
UVU	2024	Student Athlete Academic Building	\$3,500,000	

UU	2024	Huntsman Cancer Institute Vineyard Cancer Research	\$75,000,000	\$662,700
Snow	2024	2023 GS Unused Landbank Funding	(\$673,000)	
UU	2024	Hospital Clinic on Redwood Road	(\$12,500,000)	
		<b>Total</b>	<b>\$209,110,800</b>	<b>\$1,910,500</b>
		<b>5-Year Total</b>	<b>\$1,064,665,291</b>	<b>\$14,918,437</b>

### Board Considerations

In its July 2024 meeting, the Board adopted FY 2025-26 capital budget guidance that contemplated an annual distribution of the \$19.3 million in ongoing Technical College Capital Project Fund appropriations directly to technical colleges through a formula similar to the one used to annually allocate dedicated project funds to degree-granting institutions. With this change, the legislative ask for technical college non-dedicated capital project funding will be greater than it would have been otherwise, since only the dedicated allocation to the institution for which the non-dedicated capital project is recommended will be available to buy down the total cost of the project. This change may justify the Board putting a greater weight on lower-cost projects such as Southwest Tech’s Public Safety Building. Conversely, Dixie Tech’s Trades & Technology Building was ranked by the previous Board as a meritorious project and is responsive to the workforce needs of one of the fastest-growing metropolitan statistical areas in the country, while Uintah Basin Tech’s Health Sciences Building would help to mitigate critical healthcare occupational shortages in rural Utah.

### Commissioner’s Recommendation

The Commissioner recommends that the Board review and prioritize technical college non-dedicated project requests. The Commissioner further recommends that the Board defer a decision until the next budget cycle as to whether the technical college non-dedicated projects and their ranking should be frozen for FY 2027.