

CAPITAL PROJECTS DETAIL

235 North Dakota State University

Version: 2015-R03-00235

Date: 12/23/2014

Time: 12:16:20

Capital Project			
Minard Hall			
	Total Project Cost	Request/Optional	Recommendation
	General Fund	600,000	600,000
	Federal Funds	0	0
	Special Funds	0	0
	Special Funds	600,000	600,000
	Bonding	0	0

Is this a multiennium project? No of Biens: 1 Est. Costs 600,000

Future Increased Costs Associated with Project Approval								
	2015-2017	2017-2019	2019-2021		2015-2017	2017-2019	2019-2021	
Salaries and Wages	0	0	0	FTE	0.00	0.00	0.00	
Operating Expenses	0	0	0	General Fund	0	0	0	
Equipment > \$5,000	0	0	0	Federal Funds	0	0	0	
IT Equipment > \$5,000	0	0	0	Special Funds	0	0	0	
Special Lines	0	0	0	Total	0	0	0	
Total	0	0	0					

Project Specifications

NDSU requests legislative authorization to increase the total authorization for the Minard Hall project from \$22,874,300 to \$23,474,300 an increase of \$600,000. As noted in a letter dated August 29, 2014 from the ND University System legal counsel, the increased authorization is needed because of a contractor on the Minard Hall project has made a claim for additional compensation. After receiving the contractor claim, contractually mandated mediation was held however the contractors claim was not settled during the mediation. A lawsuit has been commenced against the State of ND, the ND Board of Higher Education and NDSU by the contractor. NDSU requests an additional authorization of \$600,000 in order to cover a potential award in favor of the contractor and to pay for legal fees, expert fees and other costs associated with the ongoing litigation.

The litigations related to this incident are on-going with the discovery process being sheduled to be complete as of June 30, 2014. Therafter, expert disclosures and expert depositions will be started. The trial is scheduled for July 2015. Litigation costs have been higher than anticipated due to the fact that additional parties were required to be included in the litigation because of information revealed during the discovery process.

If legal settlements are less than the estimated costs, NDSU would seek direction from the SBHE for options to pay for the costs incurred, including the possible request for a deficiency appropriation from the Legislative Assembly. Updates on the project progress are provided regularly to the ND University System Chancellor and State Board of Higher Education.

Cost Benefit Analysis

Not applicable, as this is a request for reauthorization of a project that has been authorized in a prior biennium.

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Capital Project			
Aquatic Center			
	Total Project Cost	Request/Optional	Recommendation
	General Fund	11,000,000	11,000,000
	Federal Funds	0	0
	Special Funds	0	0
	Special Funds	11,000,000	11,000,000
	Bonding	0	0

Is this a multiyear project? No of Biens: 1 **Est. Costs** 11,000,000

Future Increased Costs Associated with Project Approval							
	2015-2017	2017-2019	2019-2021		2015-2017	2017-2019	2019-2021
Salaries and Wages	0	754,000	776,620	FTE	0.00	0.00	0.00
Operating Expenses	0	646,000	678,300	General Fund	0	0	0
Equipment > \$5,000	0	0	0	Federal Funds	0	0	0
IT Equipment > \$5,000	0	0	0	Special Funds	0	1,400,000	1,454,920
Special Lines	0	0	0	Total	0	1,400,000	1,454,920
Total	0	1,400,000	1,454,920				

Project Specifications

NDSU requests legislative authorization for the Aquatic Center Project to be funded through revenue bonds and local funding.

Details of the project:

- Expansion to Wellness Center facilities
 - ~29,000 square feet
 - Locker facilities
 - Aquatics facilities
 - Including indoor leisure & indoor competition pool
 - Support facilities
- Provide facilities for NDSU students to swim for new exercise options & relaxation
 - Lifetime recreational activity
 - Component of physical wellness not offered
 - Lack of functional swimming pool
- Expand teaching abilities
- Add intermural sporting options
- Also open for use by faculty & staff
- Student body voted & approved project
 - April 2013 student-wide vote/approval
 - Information presented to/through:
 - ~50-60 student organizations
 - Two student open forums
 - Multiple informational email messages via listserv to entire student body & all 285 student organizations
 - Posters placed in Memorial Union & Wellness Center

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•Published in student newspaper (NDSU Spectrum)

Cost Benefit Analysis

Addition to the Wellness Center, the ~29,000 square foot Aquatic Center, to be funded through revenue bonds and local funds.

Operational cost estimates: 10.5 FTE (full time staff and student life guards) \$377,000 annually and utility/maintenance estimates of \$323,000 annually.

Project costs of \$11,000,000 estimated:

Construction: \$9,200,000

Fees: \$800,000

Contingency: \$800,000

FFE: \$200,000