

Contact: Joan Racki/Sheila Doyle

**REGISTER OF UNIVERSITY OF NORTHERN IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS**

Actions Requested: Consider recommending to the Board approval of:

1. Permission to proceed with project planning, including the architectural/engineering selection process, for the **Electrical Distribution Loop System Load-Break Switches – Phase 1** project.
2. Revised project budget in the amount of \$26,609,048 for the **McLeod Center** project.

Executive Summary: The **Electrical Distribution Loop System Load-Break Switches – Phase 1** project would upgrade the campus electrical distribution system to improve the safety and reliability of the system. The components of the existing system, which range in age from 27 to 41 years, have become obsolete which results in inefficient and hazardous operating conditions. The FY 2006 General Assembly appropriated \$3 million for this project for which the anticipated cost is \$8.5 million.

The revised budget for the **McLeod Center** project of \$26,609,048 would increase the budget by \$650,000 over the May 2006 approved budget; the current and proposed budgets and funding sources are outlined on the table of page 4. The budget revision includes an additional \$250,000 in funding raised by the UNI Foundation since the last budget revision, and interest income of \$161,353 on the 2004 Field House Revenue Bonds. The budget revision also reflects anticipated funding of \$238,647 which the UNI Foundation anticipates raising prior to the November 2006 opening of the facility.

The following is a breakdown of the \$650,000 budget modification, indicating the source of funds and proposed use:

Construction Budget Increase – Available UNI Foundation Funds

Construction Finishing of the Alumni Suite	\$ 207,113	
Construction Finishing of the Hall of Fame	<u>42,887</u>	\$ 250,000

Furniture and Equipment Budget Increase – Available Interest Income Funds

Furniture and Equipment for Patron Capacity (Bleachers for 328 Seats and 400 Chairs)	\$ 55,040	
Furniture and Equipment for Athletics (Men’s & Women’s Basketball, Women’s Volleyball, Officials, and Ticketing Offices/Work Areas)	<u>106,313</u>	\$ 161,353

Construction Anticipated To Be Funded

Construction Finishing of the Media Center	\$ 85,000	
Construction Finishing of the second elevator	<u>70,000</u>	\$ 155,000

Furniture and Equipment Anticipated To Be Funded

Balance of Furniture and Equipment for Athletics (Men’s & Women’s Basketball, Women’s Volleyball, Officials, and Ticketing Offices/Work Areas)	\$ 78,897	
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Modifications to Artwork and Contingency Budgets align="right">\$ 4,750 align="right" style="margin-left: 20px;">\$ 238,647

Total Budget Increase align="right" style="margin-left: 400px;">\$ 650,000

Subject to Board approval of the revised budget, the President of the UNI Foundation will execute an amendment to the existing funding agreement to guarantee payment for the \$250,000 in donations received since May 2006. When additional pledges are received up to the \$238,647, additional funding agreements with the UNI Foundation will be entered into.

The University inadvertently did not include interest income in the original budget and in revised budgets, although the precise amount could not be determined until the bond proceeds were fully expended. The Field House 2004 bond resolution was written to permit the use of construction fund interest income for project purposes.

The University of Northern Iowa does not anticipate any additional requests for budget increases prior to the opening of the facility in November 2006.

Details of Projects:

Electrical Distribution Loop System Load-Break Switches – Phase 1

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Aug. 2006	Requested

McLeod Center

<u>Project Summary</u>			
	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Nov. 2001	Approved
Architectural Agreement (Herbert Lewis (Kruse Blunck [HLKB], Des Moines, IA)	\$ 1,487,300 ¹	May 2002	Approved
Program Statement		Oct. 2002	Approved
Schematic Design		April 2003	Report Received
Initial Review, Capital Project Evaluation Criteria		July 2003	Report Received
Final Review, Capital Project Evaluation Criteria		Nov. 2003	Report Received
Revised Schematic Design – Option C		Nov. 2003	Approved
Project Description and Total Budget – Option C	20,183,199	Nov. 2003	Approved
Architectural Amendments (HLKB)s			
Architectural Amendment #1	106,445	Nov. 2003	Approved
Architectural Amendment #2	200,000 (est.)	Nov. 2003	Approved
Architectural Amendment #3	48,314	Nov. 2003	Not Required ²
Architectural Amendment #4	45,232	Nov. 2003	Not Required ²
Architectural Amendment #5	47,775	Nov. 2003	Not Required ²
Architectural Amendment #6	47,866	Nov. 2003	Not Required ²
Architectural Amendment #7	35,035	Nov. 2003	Not Required ²
Architectural Amendment #8	45,045	Nov. 2003	Not Required ²
Architectural Amendment #11 ¹	6,941	June 2005	Not Required ²
Construction Contract Awards (All Awards to Cardinal Construction, Waterloo, IA)			
North UNI-Dome Improvements—Phase 1	276,820	Aug. 2004	Ratified
UNI-Dome Utility Relocation	Reject Bids	Aug. 2004	Ratified
General Construction	19,452,000	Nov. 2004	Approved
Revised Project Budget	22,843,199	Nov. 2004	Approved
Construction Change Orders (Cardinal Construction)			
Change Order #1	- 388,505	Feb. 2005	Not Required ²
Change Order #2	- 46,676	Feb. 2005	Not Required ²
Change Order #3	43,587	Mar. 2005	Not Required ²
Change Order #4	41,269	Apr. 2005	Not Required ²
Change Order #5	43,347	May 2005	Not Required ²
Change Order #6	28,653	June 2005	Not Required ²
Change Order #7	28,753	July 2005	Not Required ²
Change Order #8	49,054	Aug. 2005	Not Required ²
Change Order #9	33,147	Sept. 2005	Not Required ²
Change Order #10	19,822	Nov. 2005	Not Required ²
Change Order #11	46,245	Nov. 2005	Not Required ²
Change Order #12	36,231	Dec. 2005	Not Required ²
Revised Project Budget	24,208,199	Sept. 2005	Approved
Revised Project Budget	26,033,199	March 2006	Deferred
Scoreboard	950,000	March 2006	Deferred
Construction Change Order #13	1,365,735	April 2006	Approved
Revised Project Budget, Including Scoreboard	25,959,048	May 2006	Approved
Revised Project Budget	26,609,048	Aug. 2006	Requested

¹ The original approved fee of \$1,903,200 also included funds for design of the Human Performance Center; the fees are now being tracked separately; amendments #9 and #10 are for the Human Performance Center.

² Approved by University in accordance with Board procedures.

McLeod Center Project Budget

	Initial Budget Nov. 2003	Revised Budget Nov. 2004	Revised Budget Sept. 2005	Revised Budget May 2006	Proposed Revised Budget Aug. 2006
Construction	\$16,700,000	\$19,760,000	\$20,984,500	\$21,975,000	\$22,380,000
Design, Inspection and Administration	1,750,000	2,000,000	2,150,000	2,250,000	2,250,000
Furniture and Equipment ¹	715,000	400,000	400,000	265,000	505,250
Scoreboards	----	----	----	875,849	875,849
Artwork	101,000	114,216	121,041	125,416	133,045
Contingency	<u>917,199</u>	<u>568,983</u>	<u>552,658</u>	<u>467,783</u>	<u>464,904</u>
TOTAL	<u>\$20,183,199</u>	<u>\$22,843,199</u>	<u>\$24,208,199</u>	<u>\$25,959,048</u>	<u>\$26,609,048</u>
<u>Sources of Funds:</u>					
City of Cedar Falls	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Sale of Golf Course	1,000,000	1,000,000	1,200,000	1,575,000	1,575,000
Additional Borrowing	1,683,199	1,683,199	1,683,199	1,683,199	1,683,199
Taxable Loan Scoreboards	----	----	----	875,849	875,849
Interest Income on Bonds	----	----	----	----	161,353
<u>UNI Foundation Funding:</u>					
Arena Gifts and Interest ²	\$16,084,186	----	----	----	----
Undesignated Funds	915,814	----	----	----	----
Bond Proceeds ³	----	\$ 8,591,049	\$ 8,591,049	\$ 8,591,049	\$ 8,591,049
Funding Contract	----	8,408,951	8,408,951	8,408,951	8,408,951
Contract Amendment 1	----	2,660,000	2,660,000	2,660,000	2,660,000
Contract Amendment 2	----	----	1,165,000	1,165,000	1,165,000
Contract Amendment 3	----	----	----	500,000	500,000
Contract Amendment 4	----	----	----	----	250,000
Future Amendments	----	----	----	----	<u>238,647</u>
Subtotal—UNI Foundation	<u>17,000,000</u>	<u>19,660,000</u>	<u>20,825,000</u>	<u>21,325,000</u>	<u>21,813,647</u>
TOTAL	<u>\$20,183,199</u>	<u>\$22,843,199</u>	<u>\$24,208,199</u>	<u>\$25,959,048</u>	<u>\$26,609,048</u>

¹ The original project budget included \$350,000 for scoreboards; this amount was subsequently reduced to \$130,000. The Budget approved at the May 2006 meeting does not include any funding for the scoreboard within the furniture and equipment line item.

² Includes amount on hand or pledged for project.

³ Since gifts for the project to the UNI Foundation extend over a number of years, bonds were sold to provide the needed construction funds. Proceeds from the sale for the project totaled \$8,591,049.