

Contact: Joan Racki

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

**Action Requested:** Consider approval of the revised project budget in the amount of \$20,990,000 for the **Apartment Housing – Phase 1** project.

**Executive Summary:** At its April 2010 meeting, the Board approved the schematic design and project description and budget (\$19,490,000) for the **Apartment Housing – Phase 1** project, which would provide additional housing for 204 residents to meet the needs of junior and senior students, while enhancing the housing inventory with the first phase of a new apartment community. The current dormitories are, on average, fifty years old. The facility would include a mix of two and four-person apartments with single occupancy bedrooms, in addition to code required single occupant studio apartments for physically disabled students. The apartments would include a living room, kitchen, single bedrooms and one bath per two residents. This complex would also provide a community lounge, exercise room, study areas and mailboxes. These support areas are planned to also serve future phases of apartment housing.

Eleven bids for the project were received on September 28, 2010, with the low base bid exceeding the construction estimate by \$1.7 million or 10.6%. The spread between the low and high bids was \$2.0 million (11.5%), with the spread between the lowest nine bidders being \$1.2 million (6.5%). The two lowest bids were 1.5% (\$267,000) apart. The bids thus appear to be a fair representation of the construction work to be undertaken.

The University requests approval of a revised project budget of \$20,990,000 (an increase of \$1,500,000) to permit the award of the construction contract. This increase would be funded by increased Dormitory Revenue Bond proceeds; the sale of bonds for the project is scheduled for December 2010. The University has provided to the Board Office an updated financial proforma showing the ability of the Residence System to finance the additional \$1.5 million in borrowing. (Projected room rates and occupancy projections have not changed from the proforma submitted in April 2010.)

**Details of Project:**

**Apartment Housing – Phase 1**

<u>Project Summary</u>			
	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		August 2009	Approved
Initial Review and Consideration of Capital Project Evaluation Criteria		August 2009	Received Report
Design Professional Agreement InVision Architecture (Waterloo, IA)	\$ 1,452,000	Dec. 2009	Not Required*
Program Statement		Mar. 2010	Not Required*
Schematic Design		April 2010	Approved
Project Description and Total Budget Financing Plan	19,490,000	April 2010	Approved
Final Review and Consideration of Capital Project Evaluation Criteria		April 2010	Approved
Construction Contract – Site Utility Relocation Vieth Construction (Cedar Falls, IA)	139,252	July 2010	Received Report
Design Professional Agreement Amendment #1	110,800	Sept. 2010	Not Required*
Revised Project Description and Total Budget	20,990,000	Oct. 2010	Not Required*
			Requested

\*Approved by Executive Director consistent with Board policy

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Project Budget

	<u>Initial Budget (April 2010)</u>	<u>Revised Budget (Oct. 2010)</u>
Construction	\$15,219,000	\$16,840,500
Design, Inspection and Administration	2,376,600	2,376,600
Furniture and Equipment	811,000	811,000
Artwork	97,450	104,950
Contingency	<u>985,950</u>	<u>856,950</u>
TOTAL	<u>\$19,490,000</u>	<u>\$20,990,000</u>
Source of Funds:		
Dormitory Revenue Bond Proceeds	\$13,700,000	\$15,200,000
Residence System Funds	<u>5,790,000</u>	<u>5,790,000</u>
TOTAL	<u>\$19,490,000</u>	<u>\$20,990,000</u>