

Capital Improvement Projects Status Report

December 31, 2005



Minnesota
STATE COLLEGES
& UNIVERSITIES

Capital Improvement Projects Status Report

December 31, 2005

This report covers capital projects under design and/or construction and provides financial and progress status on their execution. This report recaps progress over the six month period ending December 31, 2005. The next report will be issued in July 2006, using data as of June 30, 2006.

As seen on the enclosed execution graphs, “Actual Encumbrances and Spending” are well ahead of the “Planned” schedule. As a note, the FY 2005 Capital Spending Rate chart is based upon a three year project execution schedule, whereas the FY 2003 Capital Spending Rate chart was planned on a four and one-half year schedule. This shortened schedule is reflective, in part, of requesting design funds in one biennium and construction monies in the following biennium. The FY 2005 HEAPR Spending Rate chart highlights the intent to spend and/or encumber all funds within 24 months and finalize execution of any remaining funds within 36 months.

State general obligation bonds require that one-third of the debt service be paid by Minnesota State Colleges and Universities. One-sixth of the debt service is assigned to the college/university benefiting from the project; one-sixth is spread over the system. Projects under the Higher Education Asset Preservation and Replacement (HEAPR) program are also funded by state general obligation bonds, but with the entire debt service paid by the state.

Projects for construction and renovation of residence halls, student unions and parking facilities at the seven state universities are also reported here if funded by revenue bond proceeds of the Minnesota State Colleges and Universities Revenue Fund, or other sources if the financing, construction and operation of facilities impacts on the Revenue Fund operation.

Also shown are projects funded from outside sources, whether by gift or grants. Most often these outside sources are tied as “matching funds” to a particular project funded by general obligation bonds.

The 2005 legislative bonding bill appropriated \$172,873,000 for line-item capital projects and \$41,500,000 in Higher Education Asset Preservation and Renewal (HEAPR) projects. This amount reflects an 8.63% construction cost escalation factor applied to selected projects for the delay of the 2004 bonding bill to 2005.

During the last six months, eight major construction projects have been bid and awarded. Of the eight projects, three came in over budget. These three projects required redesign and a second bid to allow award of a construction contract within the overall project budget. Since Minnesota State Colleges and Universities’ standard design contract requires the A/E to provide additional design services at no additional cost should it become necessary to rebid projects that come in over budget, no additional design fees were required. Overall execution of HEAPR is ahead of schedule. HEAPR funds encumbered as of December 31, 2005 are \$23.9 million, or approximately 58% of the appropriation.

A. PROJECTS COMPLETED

During the past six months several projects reached substantial completion.

Minnesota State University, Mankato – Student Athletic Facility Addition and Remodeling (Phase 3)



Description: This multi-phased project provides for an addition and renovation of athletic facilities as well as the correction of deferred maintenance items throughout the existing athletic facilities. Phase 1 included the construction of Myers Field House. Phase 2 renovated the indoor and outdoor student athletic facilities including Blakeslee Stadium, Pennington Building, Highland Center and Highland North. The recently completed Phase 3 consisted of renovation of Otto Arena and construction of a racquetball court and fitness center. Existing locker rooms were reconfigured to provide equitable general use locker room space and coaches’ offices. The result upgraded an aging athletic facility, provided additional space for human performance programs and converted Otto Arena into a fitness and recreational center for the university and community. Through this project the university is better able to meet the needs of the general student population with an on-campus fitness and recreational sports facility.

- **Funding:**

\$11,000,000	1998 State G.O. Bonds
\$ 6,907,000	2000 State G.O. Bonds
<u>\$ 8,400,000</u>	2003 State G.O. Bonds
\$26,307,000	

- **Gross Square Feet:**

9,400 SF	New
72,400 SF	Renovation

- **Number of Stories:** Two stories

- **Exterior Finishes:** Brick and metal panels

- **Substantial Completion:** August 2005

Minnesota West Community and Technical College (Worthington Campus) - Science, Nursing Remodeling



Description: This project includes the renovation of science laboratories, classrooms, computer lab, graphics/CAD labs and nursing department spaces. A small addition was constructed to create a centralized, convenient, one-stop student services area and welcome counter; a more pronounced front door feature for the campus was also constructed. This project helps address the college's growing nursing program and subsequent need for expanded science class offerings. Updated science laboratories are now better equipped to incorporate current teaching methods for soil science, geology and agronomy courses. Students now receive high quality academic and technical training and the campus is well positioned to meet the changing needs of the region, community and students.

- **Funding:** \$6,300,000 2003 State G. O. Bonds
- **Gross Square Feet:** 7,300 SF New
45,600 SF Renovation
- **Number of Stories:** Two stories
- **Exterior Finishes:** Brick, glass and metal panels
- **Substantial Completion:** July 2005

Northeast Higher Education District, Itasca Community College – Student Housing



Description: This new three story student housing unit provides 72 beds to support the Engineering Technology program which is located directly across the street. Each dorm suite is equipped with a shared kitchenette and bathroom. There are 24 single rooms, 6 double rooms and 12 triple rooms. The lower level includes a two bedroom Resident Advisor's apartment, mail room and lounge with a stone fireplace. There are laundry facilities located on the third floor.

The land for the residence hall is leased from the University of Minnesota. The project was financed by tax-exempt bond proceeds from the Itasca County Housing and Redevelopment Agency (HRA) and a grant from the Blandin Foundation of Grand Rapids, Minnesota.

- **Funding:** \$2,565,000 Itasca County HRA bonds
\$1,000,000 Blandin Foundation grant
- **Gross Square Feet:** 18,000 SF
- **Number of Stories:** Three stories
- **Exterior Finishes:** Brick, stone and metal panels
- **Substantial Completion:** August 2005

Ridgewater College (Willmar and Hutchinson Campuses) – Science and Applied Health Renovation



Description: This project consisted of renovating chemistry, physics and biology laboratories at Willmar, and converting interior space at Hutchinson into multi-purpose science labs. The science laboratories at Willmar are 30 years old and did not adequately support the curriculum for general education, technical programs and the transfer curriculum. This project created collegiate level chemistry, physics and biology laboratories and eliminated the need to continue to lease space from the Hutchinson high school to support these programs. These changes help position the college to meet the educational needs of students and employers in the growing science and health-related fields.

- **Funding:** \$ 2,880,000 2003 State G.O. Bonds
- **Gross Square Feet:** 6,900 SF Hutchinson
10,300 SF Willmar
- **Number of Stories:** Two stories
- **Exterior Finishes:** Existing
- **Substantial Completion:** November 2005

System-wide Roof Program – Various Colleges and Universities

The 2005/2006 roof program includes over \$16 million in 2005 HEAPR funds for construction of 19 separate roofing projects, plus design funding for eight additional roofs. Ten roof replacements have already been completed. Two other roof projects will be completed shortly; the remaining four roofs in construction will be completed in the spring or summer. The remaining three roofs funded for construction will be bid in spring 2006. One additional small roof at Ridgewater College, Willmar campus was added to the construction program this past period.

The eight roofs that received design funding will be ready for bidding and construction pending 2006 HEAPR funding. In addition, another nineteen roofs are in various stages of design and are awaiting HEAPR funds to either finish design or proceed with construction.

B. PROJECT CONSTRUCTION CONTRACT AWARDS

During this period several projects in excess of \$1 million were bid and/or awarded. Construction contracts awarded includes:

- **Anoka Ramsey Community College (Cambridge)**– Academic Building Addition
Program Year – 2003; 2005
Funding - \$10,483,000 in 2005 state G.O. bonds
Construction Estimate - \$8,250,000
Initial Bid Date – July 2005
Initial Bid Amount - \$9,970,000
ReBid Date – September 2005
Contract Amount - \$8,519,000
Contractor – Donlar Corporation

- **Bemidji State University** – Bridgeman Hall Renovation
Program Year – 2003; 2005
Funding (includes funds for NWTC Health Addition) - \$1,000,000 in 2003 state G.O. bonds; \$10,863,000 in 2005 state G.O. bonds
Construction Estimate - \$5,279,584
Bid Date – July 2005
Contract Amount - \$4,765,500
Contractor – Christensen Construction

- **Inver Hills Community College** – Student Services Addition and Renovation
Program Year – 2003; 2005
Funding - \$500,000 in 2003 state G.O. bonds; \$6,045,000 in 2005 state G.O. bonds
Construction Estimate - \$4,845,000
Initial Bid Date – June 2005
Initial Bid Amount - \$5,648,800
ReBid Date – August 2005
Contract Amount - \$5,082,200
Contractor – Lund Martin Construction

- **Lake Superior College** – Academic and Student Services Addition
Program Year – 2003, 2005
Funding - \$700,000 in 2003 state G.O. bonds, \$11,243,000 in 2005 state G.O. bonds
Construction Estimate - \$9,100,000
Initial Bid Date – November 2005
Initial Bid Amount - \$9,788,000
ReBid Date – December 2005
Contract Amount - \$9,201,000
Contractor – Ray Rhihilouma, Inc.

- **Minnesota State College - Southeast Technical (Winona)** – Student Services/ Nursing/
 Learning Resources Renovation
 Program Year – 2003; 2005
 Funding - \$580,000 in 2003 state G.O. bonds; \$3,802,000 in 2005 state G.O.
 bonds
 Construction Estimate - \$3,031,000
 Bid Date –December 2005
 Contract Amount - \$2,996,000
 Contractor – Olympic Builders
- **Northwest Technical College (Bemidji)** – Health Addition
 Program Year – 2003; 2005
 Funding (includes funds for BSU Bridgeman Hall Addition) - \$1,000,000 in
 2003 state G.O. bonds; \$10,863,000 in 2005 state G.O. bonds
 Construction Estimate - \$3,085,000
 Bid Date – July 2005
 Contract Amount - \$2,754,000
 Contractor – Kraus Anderson
- **South Central College (Faribault and North Mankato)**- Applied Labs Renovation
 Program Year - 2003; 2005
 Funding - \$ 300,000 in 2003 state G.O. Bonds; \$ 5,157,000 in 2005 state G.O.
 Bonds
 Construction Estimate - \$ 3,865,061
 Bid Date – August 2005
 Contract Amount - \$ 3,937,595
 Contractor – Met-Con Construction
- **St. Cloud Technical College** - Classroom Addition and Workforce Center Renovation
 Program Year - 2003; 2005
 Funding - \$ 700,000 in 2003 state G.O. Bonds; \$ 15,056,000 in 2005 state G.O.
 Bonds
 Construction Estimate - \$ 10,493,000
 Bid Date – July 2005
 Contract Amount - \$ 9,997,000
 Contractor - Donlar Corporation

C. PROJECT DESIGNER SELECTION

Several capital projects were advanced into design during this period. With the passage of a bonding bill in the 2005 legislative session, a number of projects' design progressed. Projects for which design teams were selected include:

- **Central Lakes College** – Heavy Equipment & Music Additions
Program Year – 2005
Amounts, Source of Funds – \$5,953,000 in 2005 state G.O. bonds
Designer Selected – Architecture One, Brainerd
Date Designer Selected – August 2005
- **Fond du Lac Tribal and Community College** – Library and Cultural Center Design
Program Year – 2005
Amounts, Source of Funds – \$635,000 in 2005 state G.O. bonds
Designer Selected – AmerINDIAN Architecture, St. Paul
Date Designer Selected – August 2005
- **Minneapolis Community and Technical College** – Health and Science Lab
Renovation Design
Program Year – 2005
Amounts, Source of Funds – \$900,000 in 2005 state G.O. bonds
Designer Selected – Architectural Alliance, Minneapolis
Date Designer Selected – August 2005
- **Minnesota State University, Mankato – Residence Hall**
Program Year – 2005
Amounts, Source of Funds – \$31,720,000 in 2005 Revenue Fund bonds,
\$1,000,000 in local reserve funds
Designer Selected – Bentz/Thompson/Rietow, Inc., Minneapolis
Date Designer Selected – July 2005
- **Normandale Community College** – Classroom Renovation & Addition
Program Year – 2006 (advance design)
Amounts, Source of Funds – \$300,000, College funded thru design development
Designer Selected – Ankeny Kell Architects, St. Paul
Date Designer Selected – November 2005

D. UPCOMING EVENTS

The next six months will see notable progress on these major projects:

- **Dakota County Technical College** – Information Technology & Telecommunications Renovation
 - 2003 state G.O. bonds, \$500,000
 - 2005 state G.O. bonds, \$7,387,000
 - Design is scheduled for completion in January 2006; bidding in February 2006
- **Minnesota State University, Moorhead** – Hagen Hall Science Renovation (Phase 2)
 - 2005 state G.O. bonds, \$10,477,000
 - Project is scheduled for substantial completion in May 2006
- **Rochester Community and Technical College** – Health Sciences Renovation
 - 2005 state G.O. bonds, \$12,759,000
 - Design is scheduled for completion in February 2006, bidding in March 2006
- **Riverland Community College – Science Labs Renovation**
 - 2005 state G.O. bonds, \$5,540,000
 - Design is scheduled for completion in March 2006, bidding in April 2006
- **Southwest Minnesota State University** – Library Renovation
 - 2003 state G.O. bonds, \$9,200,000
 - Construction is scheduled for substantial completion February 2006
- **St. Cloud State University** – Centennial Hall Renovation / Riverview Design
 - 2003 state G.O. bonds, \$10,000,000
 - 2005 state G.O. bonds, \$3,150,000
 - Design for Centennial Hall is scheduled for completion in February 2006, bidding in March 2006
- **St. Cloud State University** – Parking Ramp
 - 2005 Revenue Fund bonds, \$4,700,000
 - 2005 local reserve funds, \$4,900,000
 - Designer selection scheduled for January 2006

E. CONSTRUCTION LITIGATION

Minnesota State University Moorhead – Hagen Hall Science Building

The general contractor has filed a claim of approximately \$900,000 for numerous construction related issues on the project. Items include additional monies for change orders, delays, changes in site conditions as well as several others which have not been fully detailed by the contractor. The Attorney General's office has been notified and is working with the Office of the Chancellor and the university in replying to these items. No resolution has been reached at this time.

Project Financials

Minnesota State Colleges and Universities

Capital and HEAPR Progress Report: 1994-2005

SUMMARY AND TOTAL PAGE

Total Appropriation	Total Expense This Quarter	December 31, 2005 Cumulative Enc/Exp	Enc/Exp % of Appropriation	Appropriation Free Balance
---------------------	----------------------------	--------------------------------------	----------------------------	----------------------------

1994	Capital Funding	\$ 114,920,916	\$ -	\$ 114,920,916	100.00%	\$ -
1995	Capital Funding	\$ 747,600	\$ -	\$ 747,600	100.00%	\$ -
1996	Capital Funding	\$ 70,388,344	\$ -	\$ 70,388,344	100.00%	\$ -
1997	Capital Funding	\$ 4,500,000	\$ -	\$ 4,500,000	100.00%	\$ -
1998	Capital Funding	\$ 99,913,941	\$ -	\$ 99,913,941	100.00%	\$ 0
2000	Capital Funding	\$ 104,582,384	\$ 34,154	\$ 104,612,933	100.03%	\$ 0
2002	Capital Funding	\$ 98,847,000	\$ 245,878	\$ 99,043,415	100.20%	\$ 297,485
2003	Capital Funding	\$ 59,716,000	\$ 1,834,901	\$ 49,958,360	83.66%	\$ 9,757,640
2005	Capital Funding	\$ 172,873,000	\$ 13,362,980	\$ 83,707,725	48.42%	\$ 89,165,275

1996	Other Funding	\$ 1,190,365	\$ -	\$ 1,190,365	100.00%	\$ -
1998	Other Funding	\$ 15,883,652	\$ -	\$ 15,883,652	100.00%	\$ -
2000	Other Funding	\$ 5,016,255	\$ -	\$ 5,016,255	100.00%	\$ -
2002	Other Funding	\$ 4,197,261	\$ 7,245	\$ 4,176,839	99.51%	\$ 20,422

1994	HEAPR	\$ 24,737,987	\$ -	\$ 24,737,987	100.00%	\$ -
1996	HEAPR	\$ 16,000,000	\$ -	\$ 16,000,000	100.00%	\$ -
1998	HEAPR	\$ 42,996,756	\$ -	\$ 42,996,756	100.00%	\$ -
2000	HEAPR	\$ 31,168,156	\$ 4,242	\$ 31,167,245	100.00%	\$ 911
2002	HEAPR	\$ 60,000,000	\$ 32,420	\$ 59,999,955	100.00%	\$ 45
2005	HEAPR	\$ 41,500,000	\$ 3,884,146	\$ 23,949,687	57.71%	\$ 17,550,313

2002 *	Revenue Fund	\$ 36,304,691	\$ 340,910	\$ 36,574,337	100.74%	\$ 263,093
2005	Revenue Fund	\$ 40,480,000	\$ -	\$ -	0.00%	\$ -

* Encumbrances reflect interest earned on Revenue Bond investments

Project Schedules



**Minnesota
STATE COLLEGES
& UNIVERSITIES**

**Construction
In
Progress**

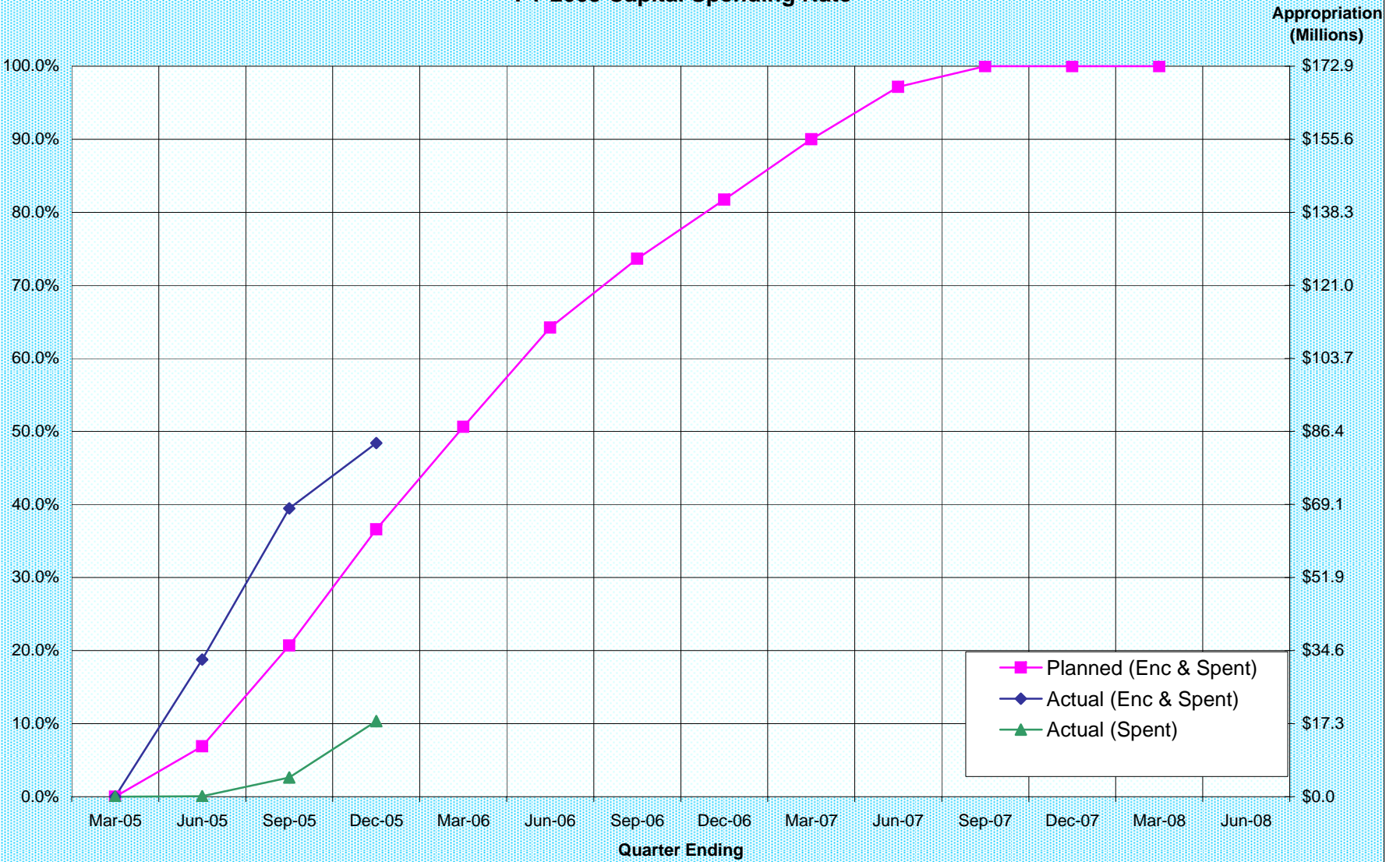
SCHEDULE KEY

- Schematic Design
- Design Development
- Contract Documents
- Bid & Award
- Construction
- Punch List

2002 PROGRAM	PROGRAM BUDGET	2003												2004												2005											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Capital Projects																																					
Alexandria TC - New Technology Lab & Classroom Addition (includes \$0.5M in 2000)	\$9,150,000																																				
Century College - Intermediate Space Purchase & Design	\$2,500,000																																				
Metropolitan SU - New Library (includes \$1M 1998; \$2.504M non-state funds)	\$20,946,000																																				
Minneapolis C&TC - Consolidate Remodel	\$9,000,000																																				
MSU Moorhead - New Science Bldg (Hagen Hall) (includes \$1.6M in 2000)	\$18,955,000																																				
Normandale CC - Science Addition (Phase 2)	\$9,900,000																																				
Winona SU - New Science Bldg. (includes \$1.6M in 2000)	\$31,600,000																																				
System Science Initiative - Remodel Facilities	\$1,900,000																																				
HEAPR Projects Exceeding \$1 Million																																					
Bemidji SU - Electrical Loop Expansion North & South Campus	\$1,073,200																																				
Century College - Repair & Modernization of Cooling System	\$1,775,000																																				
Dakota County TC - North Wall & Windows, Water Intrusion	\$1,215,000																																				
Hennepin TC - Replace Chiller System, Brooklyn Park	\$2,100,000																																				
Inver Hills CC - Centralized Chiller Plant	\$1,946,000																																				
Minneapolis C&TC - Chiller Plant Restoration	\$2,101,000																																				
MSU, Mankato - Boiler Replacement	\$1,399,100																																				
North Hennepin CC - Phase 2 Utilities Infrastructure Renewal (phase 2)	\$2,171,000																																				
Riverland College (Austin) - HVAC Repairs	\$2,820,000																																				
Southwest Minnesota SU - Student Center Complex (\$5M HEAPR, Insurance, Rev. Fund)	\$18,200,000																																				
St. Cloud State University - Electrical Distribution Loop	\$4,800,000																																				
Revenue Projects																																					
MSU, Mankato - Carkoski Food Service Remodel	\$800,000	Completed September 2002																																			
MSU, Mankato - Centennial Student Union Remodel (2002 & 2003 Revenue Bonds)	\$7,751,000																																				
MSU Moorhead - Comstock HVAC (2 Phases)	\$3,524,000																																				
St. Cloud State University - Lawrence Hall Remodel	\$2,800,000																																				
St. Cloud State University - Stateview Apartments Purchase & Remodel	\$2,000,000	Completed October 2002																																			
St. Cloud State University - Atwood Student Union Theater Roof (Phase 1)	\$823,000																																				
St. Cloud State University - Atwood Student Union Sprinkler / Asbestos Removal (Phase 1)	\$285,000																																				
Total	\$161,534,300																																				

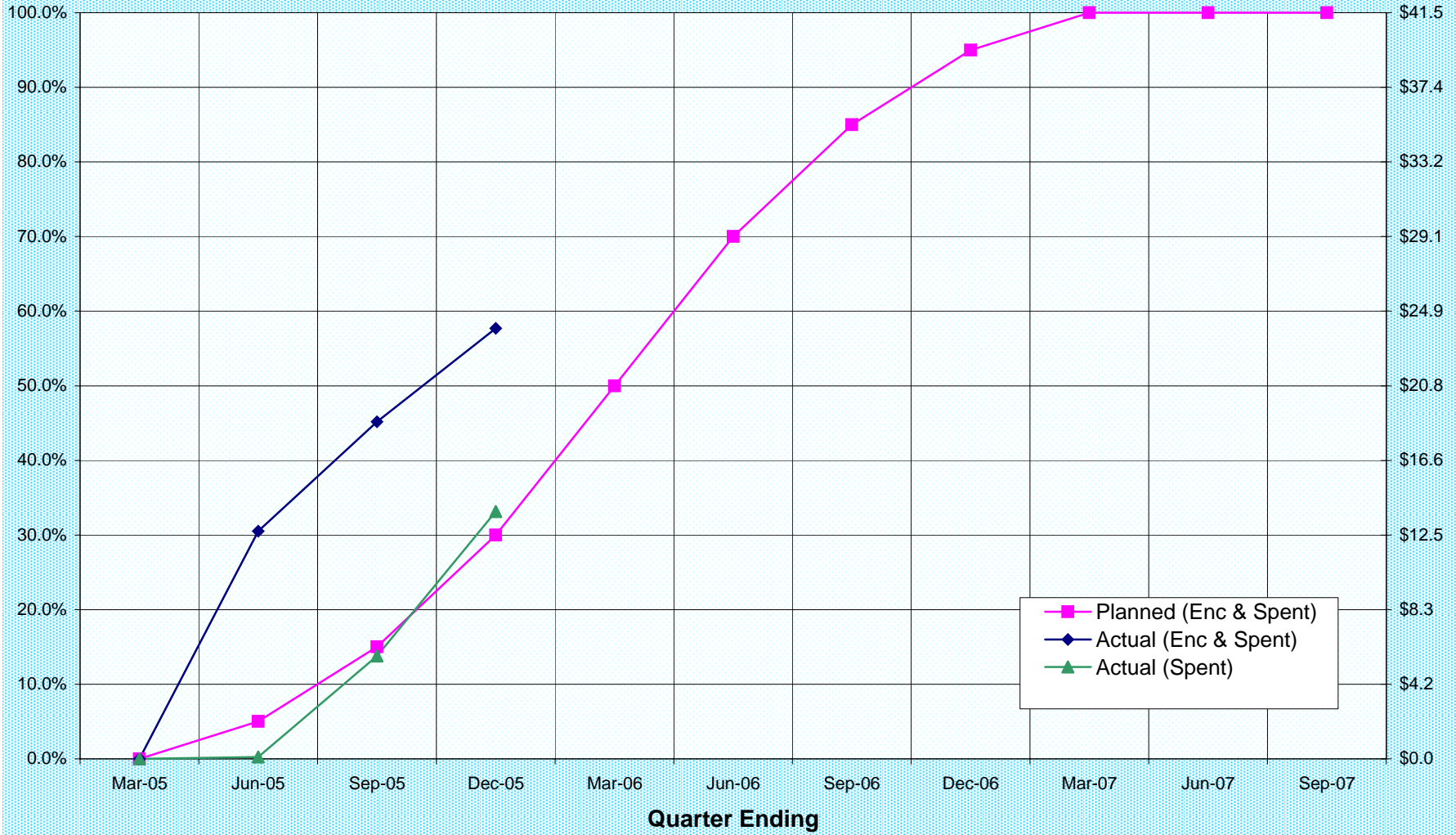
Financial Execution Graphs

FY 2005 Capital Spending Rate



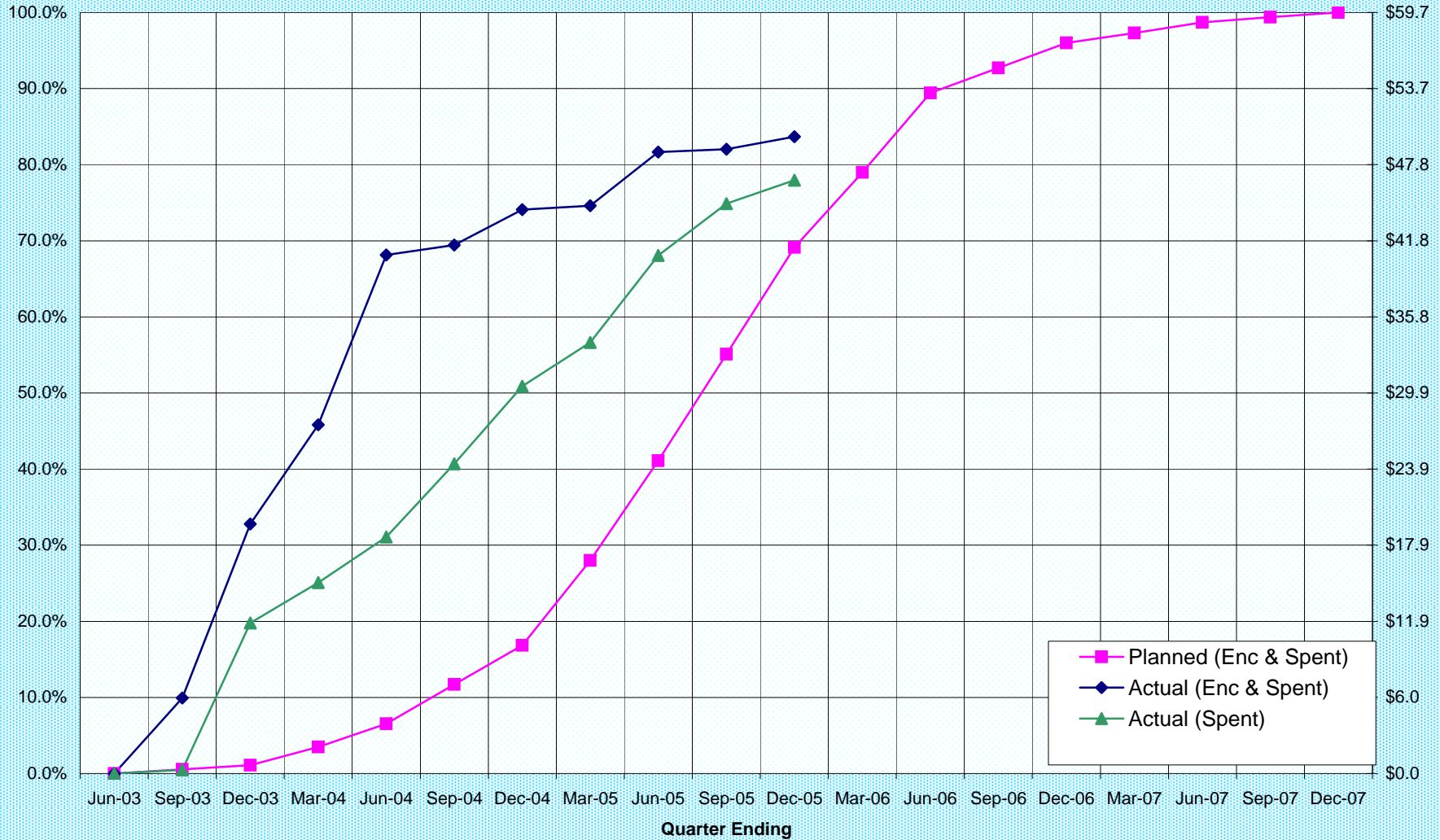
FY 2005 HEAPR Spending Rate

Appropriation
(Millions)

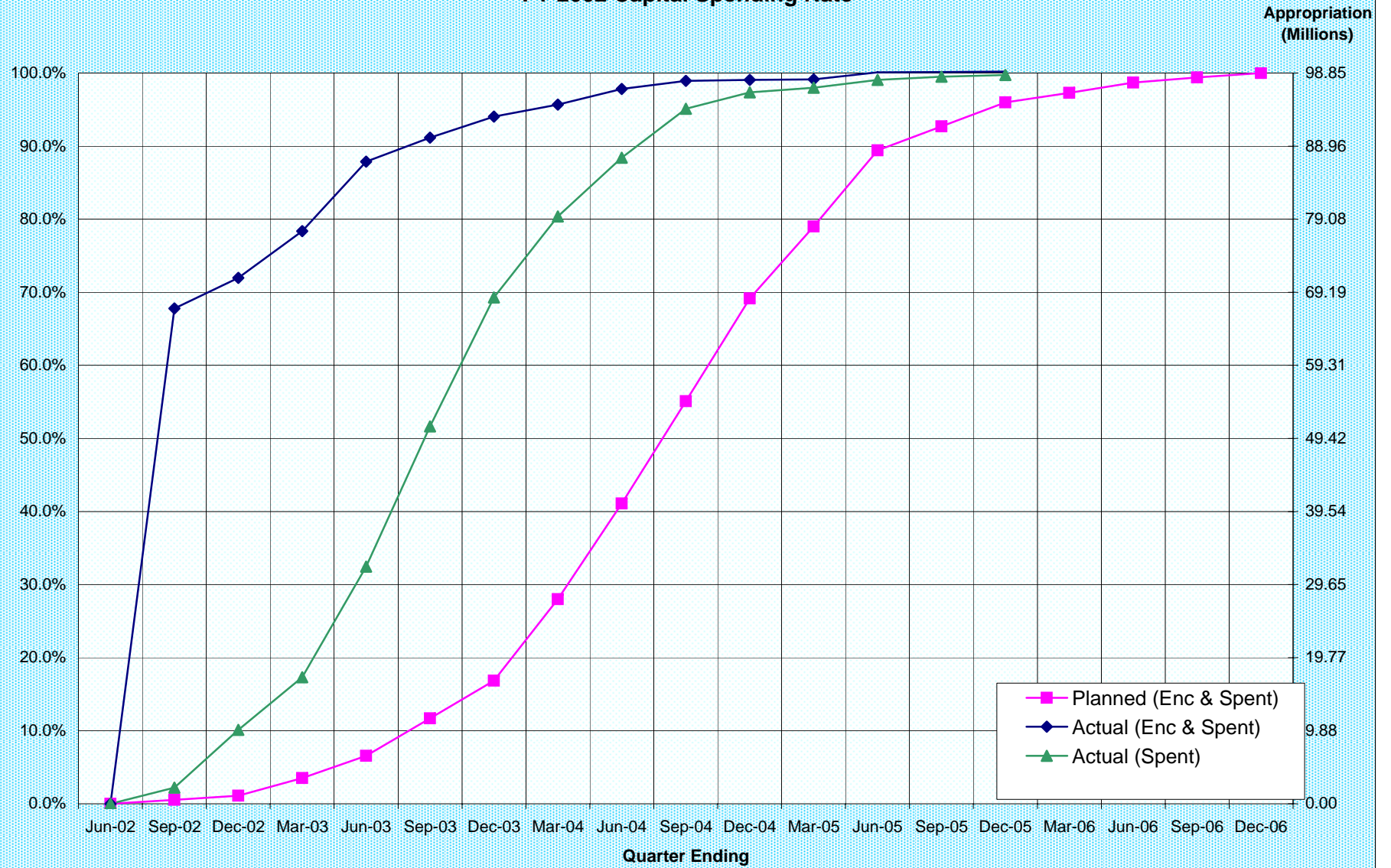


FY 2003 Capital Spending Rate

Appropriation
(Millions)



FY 2002 Capital Spending Rate



FY 2002 HEAPR Spending Rate

Appropriation (Millions)

