

# Capital Improvement Projects Status Report

June 30, 2006



**Minnesota**  
STATE COLLEGES  
& UNIVERSITIES

# Capital Improvement Projects Status Report

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 June 30, 2006. The next report will be issued in January 2007, using data as of December 30, 2006.

As seen on the enclosed execution graphs, “Actual Encumbrances and Spending” are ahead of the “Planned” schedule. As a note, the FY 2005 and 2006 Capital Spending Rate charts are 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 and 2006 HEAPR Spending Rate charts highlight the intent to spend and/or encumber all funds within 24 months and finalize execution of any remaining funds within 30 months.

State general obligation bonds require that one-third of the debt service for capital projects be paid by Minnesota State Colleges and Universities (MnSCU). 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. At times these outside sources are tied as “matching funds” to a particular project.

The 2006 legislative bonding bill appropriated \$191,430,000 to MnSCU. Of that, \$40,000,000 was appropriated for HEAPR projects and \$3,400,000 went toward property acquisition. The remaining \$148,030,000 was allocated for design and/or construction of capital projects. In addition, MnSCU received \$11,000,000 for a Regional Event Center at Southwest Minnesota State University, contingent upon a match of at least \$5,000,000 from private non-state sources.

MnSCU uses the traditional Design-Bid-Build approach for the majority of projects. However, at times other project delivery methods may be appropriate for various reasons. For the Southwest Minnesota State University Regional Event Center we will use a Construction Manager (CM) as Constructor project delivery method. Under this approach the CM is selected through a Request for Proposal and individual constructors are selected through a traditional low bid. This provides flexibility to address the unique nature of the project scope, budget and short schedule.

We plan to use a Design-Build project delivery method for the first time for the upcoming Rochester Stadium project. This method includes the selection of a design and construction team in one contract. This method provides benefits with a tight budget as well as allowing a phased construction schedule to address a similarly tight schedule.

During the last six months, five major construction projects were bid and awarded. During this same period two projects were advanced into design. Overall execution of HEAPR is ahead of schedule. FY 2005 HEAPR funds encumbered as of June 30, 2006 are \$34 million or approximately 82% of the appropriation.

**A. PROJECTS COMPLETED**

During the past six months one project reached substantial completion.

**Southwest Minnesota State University – Library Renovation**



**Description:** This project serves to realign key library functions for better public and student access, improve the building infrastructure, and create an identifiable entry for the library and associated study spaces. Improvements provided for as part of the project include expansion of the collections, circulation and document areas; renovation of the HVAC and mechanical control systems; and expansion of classrooms for technology based instruction. The remodeled areas will significantly improve the university’s ability to support graduate degree programs. The updated facility will function as the key reference center for economic development for businesses in the southwest region of the state.

- **Funding:**

|                     |                       |
|---------------------|-----------------------|
| \$ 800,000          | 2000 State G.O. Bonds |
| \$ 9,200,000        | 2003 State G.O. Bonds |
| <u>\$10,000,000</u> |                       |
  
- **Gross Square Feet:** 67,984 GSF Renovation
  
- **Number of Stories:** Five stories
  
- **Exterior Finishes:** Existing precast concrete and brick
  
- **Substantial Completion:** February 2006

## **System-wide Roof Replacement 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. Fourteen roof replacements have been completed to date. Two projects started last summer are in construction and are scheduled for completion this summer. The other three roofs were bid this spring and are currently in construction.

The 2006 HEAPR program includes approximately \$20 million for design and construction of twenty six roof projects. Eighteen roofs, some which were designed using 2005 HEAPR funds, are being bid to start construction this summer and fall. An additional eight roofs will be bid next spring for construction in 2007.



## **PROJECT CONSTRUCTION CONTRACT AWARDS**

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

- **Dakota County Technical College** – Information Technology and Telecommunications Renovation  
Program Year – 2003; 2005  
Funding - \$500,000 in 2003 state G.O. bonds; \$7,387,000 in 2005 state G.O. bonds  
Construction Estimate - \$5,200,000  
Bid Date – February 2006  
Contract Amount - \$5,629,300  
Contractor – Shaw Lundquist
  
- **Minnesota State University Moorhead** – Kise Dining Service Remodel  
Program Year – 2003; 2005  
Funding - \$550,000 in 2003 Revenue Fund bonds; \$2,500,000 in 2005 Revenue Fund bonds; \$2,550,000 in university Revenue Fund deposits, totaling \$5,600,000.  
Construction Estimate – \$903,707 (Phase I)  
Bid Date – June 2006  
Contract Amount – \$878,730  
Contractor – Gast Construction Company, Inc.  
Phase II to be constructed in summer 2007
  
- **Riverland Community College** – Science Laboratories Renovation  
Program Year – 2005  
Funding - \$5,540,000 in 2005 state G.O. bonds  
Construction Estimate - \$3,751,000  
Bid Date – May 2006  
Contract Amount - \$3,187,000  
Contractor – The Joseph Company
  
- **Rochester Community and Technical College** – Health Sciences Renovation  
Program Year – 2005  
Funding - \$12,759,000 in 2005 state G.O. bonds; \$1,500,000 in local sales tax  
Construction Estimate - \$10,089,000  
Bid Date – April 2006  
Contract Amount - \$10,003,500  
Contractor – The Joseph Company
  
- **St. Cloud State University** – Centennial Hall Renovation / Riverview Design  
Program Year – 2003; 2005  
Funding - \$10,000,000 in 2003 state G.O. bonds; \$3,150,000 in 2005 state G.O. bonds  
Construction Estimate – \$10,555,602  
Bid Date - March 2006  
Contract Amount - \$10,122,079

Contractor – Gopher State Construction

**C. PROJECT DESIGNER SELECTION**

Two capital projects were advanced into design during this period. With the passage of a bonding bill in the 2006 legislative session, a number of project designers will be selected in the summer of 2006. Projects for which design teams were selected include:

- **St. Cloud State University – Parking Ramp**  
Program Year - 2005  
Funding - \$4,700,000 in 2005 Revenue Fund bonds;  
\$4,900,000 in 2005 university operating fund reserves  
Designer Selected - Palanisami and Associates, Inc.  
Date Designer Selected - February 2006
  
- **Winona State University – Maxwell Hall Renovation**  
Program Year – 2006 (advance design)  
Funding - \$487,000 in university funds for design; \$11,186,000 in 2006 G.O. bonds  
Designer Selected - Holabird & Root, LLC  
Date Designer Selected - December 1998 (original selection date), Contract renegotiated January 2006

**D. UPCOMING EVENTS**

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

Designer Selection:

**Alexandria Technical College - Law Enforcement Center**

- 2006 state G.O. bonds, \$400,000
- Designer selection is scheduled for August 2006

**Bemidji State University – Sattgast Hall Addition and Renovation**

- 2006 state G.O. bonds, \$700,000
- Designer selection is scheduled for August 2006

**Inver Hills Community College – Fine Arts Building Addition and Renovation**

- 2006 state G.O. bonds, \$700,000
- Designer selection is scheduled for August 2006

**Lake Superior College – Health and Science Center**

- 2006 state G.O. bonds, \$420,000
- Designer selection is scheduled for September 2006

**Metropolitan State University & Minneapolis Community and Technical College – Law Enforcement Center**

- 2006 state G.O. bonds, \$350,000
- Designer selection is scheduled for August 2006

**Minnesota State University Moorhead** – Lommen Hall Renovation

- 2006 state G.O. bonds, \$300,000
- Designer selection is scheduled for August 2006

**Northeast Higher Education District, Mesabi Range Community and Technical College, Eveleth** – Technical Laboratory Building Addition/Renovation

- 2006 state G.O. bonds, \$300,000; 2006 state G.O. bonds, HEAPR, \$200,000
- Designer selection is scheduled for October 2006

**North Hennepin Community College** – Business and Technology Addition and Renovation

- 2006 state G.O. bonds, \$350,000
- Designer selection is scheduled for September 2006

**Northland Community and Technical College, East Grand Forks** – Nursing, Health Care, and LRC Addition and Renovation

- 2006 state G.O. bonds, \$300,000; 2005 state G.O. bonds, HEAPR, \$200,000
- Designer selection is scheduled for August 2006

**Rochester Community and Technical College** – Athletic Field, Stadium, and Dome

- City sales tax revenues, \$3,610,000; other contributions, up to \$3,000,000
- Design-Builder selection is scheduled for September 2006

**Southwest Minnesota State University** – Regional Event Center

- 2006 state G.O. bonds, \$11,000,000; other non-governmental contributions, \$5,000,000
- Designer selection is scheduled for July 2006
- Construction Manager selection is scheduled for July 2006

**Southwest Minnesota State University** – Science, Hotel and Restaurant Lab Renovations

- 2006 state G.O. bonds, \$300,000
- Designer selection is scheduled for October 2006

**Winona State University** – Memorial Hall Addition and Renovation

- 2006 state G.O. bonds, \$400,000; 2005 Revenue Fund bonds, \$385,000
- Designer selection is scheduled for October 2006

Substantial Completion:

**Bemidji State University / Northwest Technical College** – Bridgeman Hall Renovation (BSU), Health Addition (NWTC)

- 2003 state G.O. bonds, \$1,000,000; 2005 G.O. bonds, \$10,863,000
- NWTC Health Addition is scheduled for substantial completion July 2006
- Bridgeman Hall Renovation is scheduled for substantial completion December 2006

**Century College – Technology Center Renovation**

- 2005 State G.O. bonds, \$4,888,000
- Construction is scheduled for substantial completion September 2006

**Dakota County Technical College – Information Technology and Telecommunications Renovation**

- 2003 state G.O. bonds, \$500,000; 2005 state G.O. bonds, \$7,387,000
- Construction is schedule for substantial completion October 2006

**Inver Hills Community College – Student Services Addition and Renovation**

- 2003 state G.O. bonds, \$500,000; 2005 state G.O. bonds \$6,045,000
- Construction is scheduled for substantial completion in September 2006

**Minnesota State Community and Technical College (Fergus Falls) – Instructional Technology and Fine Arts Addition**

- 2003 state G.O. bonds, \$760,000; 2005 state G.O. bonds, \$7,604,000
- Construction is scheduled for substantial completion November 2006

**Minnesota State University Moorhead – Hagen Hall Renovation (Phase 2)**

- 2005 state G.O. bonds, \$10,477,000
- Project Floors 2 – 4 were substantially complete in May 2006, the first floor substantial completion is scheduled for December 2006

**South Central College (Faribault and North Mankato) – Applied Lab Renovation**

- 2003 state G.O. bonds, \$300,000; 2005 state G.O. bonds, \$5,157,000
- Construction is scheduled for substantial completion in August 2006

**Winona State University – Pasteur Hall Science Renovation**

- 2000 state G.O. bonds, \$1,600,000; 2002 state G.O. bonds, \$30,000,000; 2005 state G.O. bonds, \$11,118,000
- Construction is scheduled for substantial completion in August 2006

**E. CONSTRUCTION LITIGATION**

**Minnesota State University Moorhead – Hagen Hall Science Building**

The general contractor filed a claim in excess of \$50,000 (May 11, 2006) for numerous construction related issues on the project. Items listed by the contractor include additional monies for change orders, delays, changes in site conditions, contract documents, etc. The Attorney General's office, working with the Office of the Chancellor and the university, have responded to the claim; and MnSCU has filed a counterclaim (June 20, 2006).

# **Project Financials**

# Minnesota State Colleges and Universities

## Capital Improvement Program 1994-2006

### SUMMARY AND TOTAL PAGE

| Total Appropriation | Total Expense This Quarter | Cumulative Enc/Exp | Enc/Exp % of Appropriation | Appropriation Free Balance |
|---------------------|----------------------------|--------------------|----------------------------|----------------------------|
|---------------------|----------------------------|--------------------|----------------------------|----------------------------|

#### Capital

|      |             |            |             |         |             |
|------|-------------|------------|-------------|---------|-------------|
| 1994 | 114,920,916 | 0          | 114,920,916 | 100.00% | 0           |
| 1995 | 747,600     | 0          | 747,600     | 100.00% | 0           |
| 1996 | 70,388,344  | 0          | 70,388,344  | 100.00% | 0           |
| 1997 | 4,500,000   | 0          | 4,500,000   | 100.00% | 0           |
| 1998 | 99,913,941  | 0          | 99,913,941  | 100.00% | 0           |
| 2000 | 104,582,383 | 0          | 104,612,933 | 100.03% | 0           |
| 2002 | 98,847,000  | 26,798     | 99,066,847  | 100.22% | 274,053     |
| 2003 | 59,615,000  | 1,695,890  | 59,194,405  | 99.29%  | 420,595     |
| 2005 | 172,873,000 | 27,734,561 | 130,058,359 | 75.23%  | 42,814,641  |
| 2006 | 162,430,000 | 150        | 6,428,578   | 3.96%   | 156,001,422 |

#### Other Funds

|      |            |        |            |         |           |
|------|------------|--------|------------|---------|-----------|
| 1996 | 1,190,365  | 0      | 1,190,365  | 100.00% | 0         |
| 1998 | 15,883,652 | 0      | 15,883,652 | 100.00% | 0         |
| 2000 | 5,016,255  | 0      | 5,016,255  | 100.00% | 0         |
| 2002 | 4,197,261  | 25,745 | 4,196,671  | 99.99%  | 590       |
| 2005 | 200,000    | 0      | 0          | 0.00%   | 200,000   |
| 2006 | 5,000,000  | 0      | 0          | 0.00%   | 5,000,000 |

#### HEAPR

|      |            |           |            |         |            |
|------|------------|-----------|------------|---------|------------|
| 1994 | 24,737,987 | 0         | 24,737,987 | 100.00% | 0          |
| 1996 | 16,000,000 | 0         | 16,000,000 | 100.00% | 0          |
| 1998 | 42,996,756 | 0         | 42,996,756 | 100.00% | 0          |
| 2000 | 31,168,156 | 911       | 31,168,156 | 100.00% | 0          |
| 2002 | 60,000,000 | 45,749    | 59,999,254 | 100.00% | 746        |
| 2003 | 101,000    | 0         | 14,475     | 14.33%  | 86,525     |
| 2005 | 41,500,000 | 3,186,119 | 34,009,528 | 81.95%  | 7,490,472  |
| 2006 | 40,000,000 | 0         | 2,575,262  | 6.44%   | 37,424,738 |

#### Revenue Fund

|      |            |         |            |        |            |
|------|------------|---------|------------|--------|------------|
| 2002 | 36,275,000 | 354,915 | 32,516,206 | 89.64% | 1,035,775  |
| 2005 | 45,320,000 | 0       | 0          | 0.00%  | 41,755,364 |

1 Appropriation Free Balance includes bond issuance costs and interest.

# **Project Schedules**





**Minnesota  
STATE COLLEGES  
& UNIVERSITIES**

**Construction  
In  
Progress**

**SCHEDULE KEY**

- Schematic Design
- Design Development
- Contract Documents
- Bid & Award
- Construction
- Punchlist

| 2005/2006 PROGRAM  | PROGRAM BUDGET      | 2006   |     |     |     |     |     |     |     |     |     |     |     | 2007 |     |     |     |     |     |     |     |     |     |     |     | 2008 |     |     |     |     |     |     |     |     |     |     |     |
|--|---------------------|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  |                     | 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 |
| <b>REVENUE FUND PROJECTS</b>   |                     |  |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |
| Minnesota State University, Mankato - Residence Hall: Main Project<br>Siterwork Improvements | \$31,720,000        | [Gantt chart showing project phases: Schematic Design (Jan-Mar), Design Development (Mar-Apr), Contract Documents (Apr-May), Bid & Award (May-Jun), Construction (Jun-Dec 2006, Jan-Mar 2007), Punchlist (Mar-May 2007)] |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |
| Minnesota State University Moorhead - Kise Renovation (Phase 1)<br>(Phase 2)                 | \$5,650,000         | [Gantt chart showing project phases: Schematic Design (Jan-Feb), Design Development (Feb-Mar), Contract Documents (Mar-Apr), Bid & Award (Apr-May), Construction (May-Dec 2006, Jan-Mar 2007), Punchlist (Mar-May 2007)] |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |
| St. Cloud State Univeresity - Parking Ramp   | \$9,600,000         | [Gantt chart showing project phases: Schematic Design (Jun-Jul), Design Development (Jul-Aug), Contract Documents (Aug-Sep), Bid & Award (Sep-Oct), Construction (Oct-Dec 2006, Jan-Mar 2007), Punchlist (Mar-May 2007)] |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |
| <b>PRIVATELY FUNDED PROJECTS</b>   |                     |  |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |
| Rochester C&TC - Athletic field, stadium, and dome (Design-Build Phase 1)                    | \$3,610,000         | [Gantt chart showing project phases: Schematic Design (Sep-Oct), Design Development (Oct-Nov), Contract Documents (Nov-Dec 2006, Jan-Feb 2007), Construction (Feb-Apr 2007), Punchlist (Apr-May 2007)]                   |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |
| <b>Total</b>   | <b>\$50,580,000</b> |  |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |     |     |     |     |     |

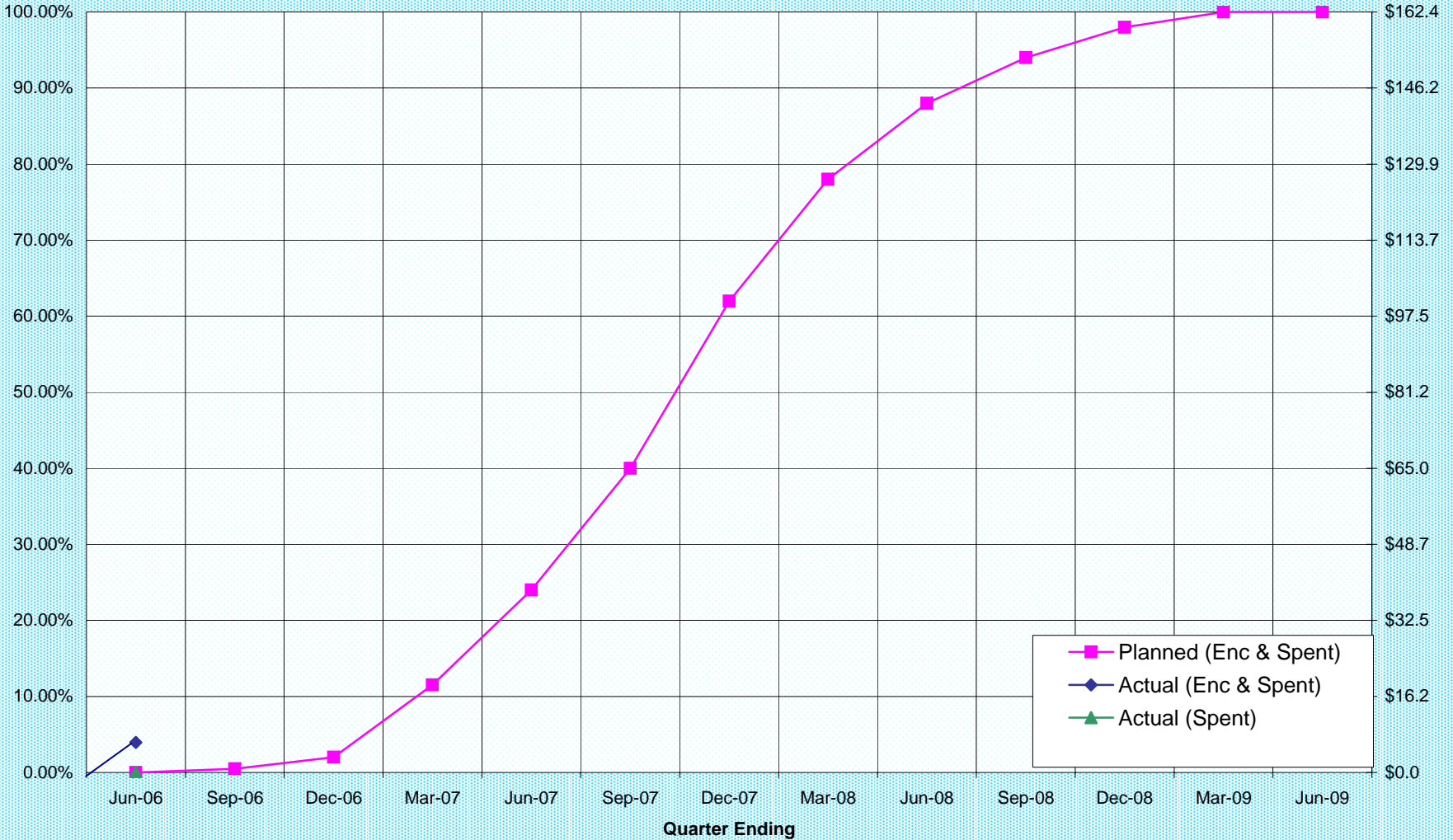




# **Financial Execution Graphs**

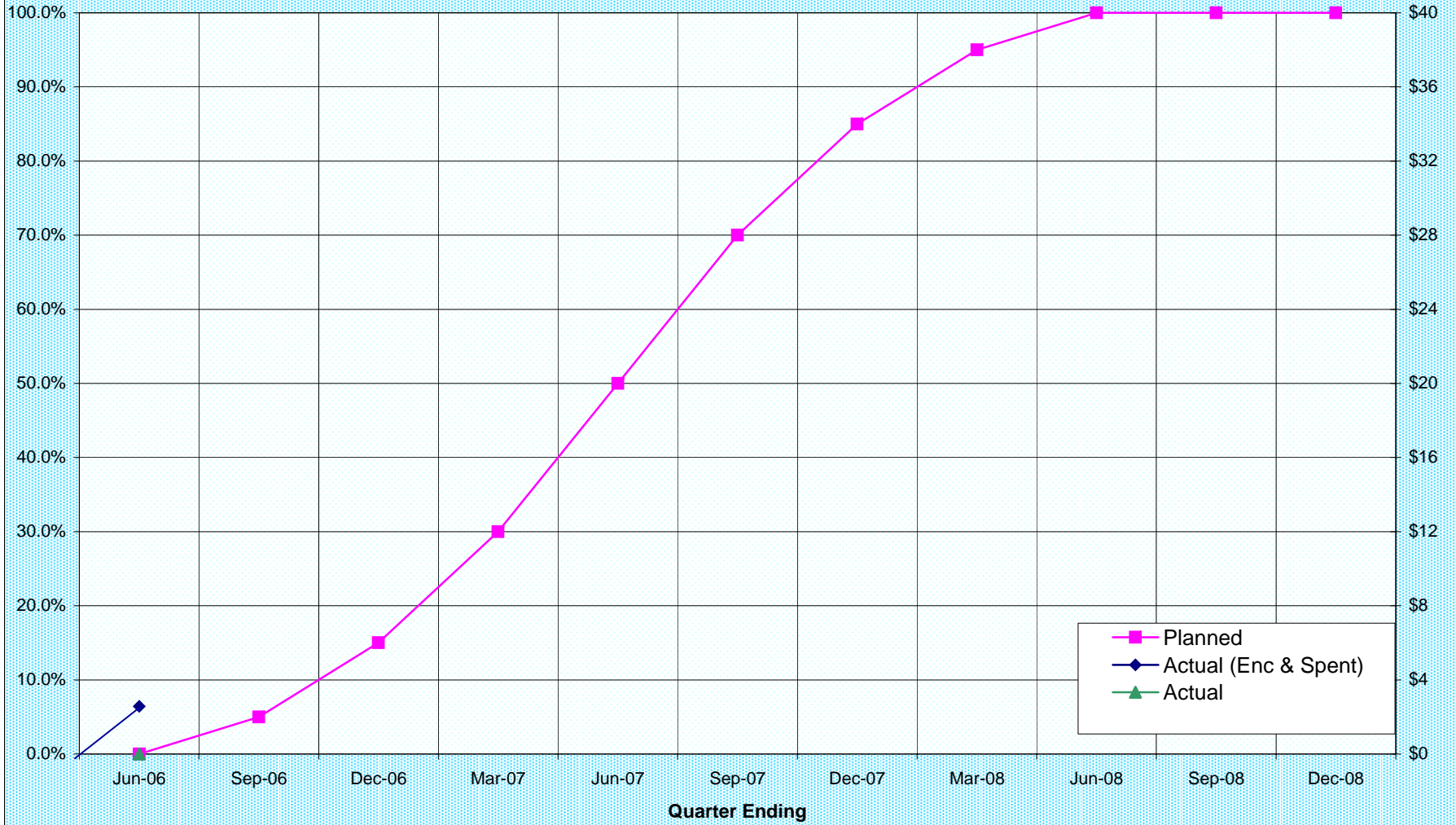
### FY 2006 Capital Spending Rate

Appropriation  
(Millions)



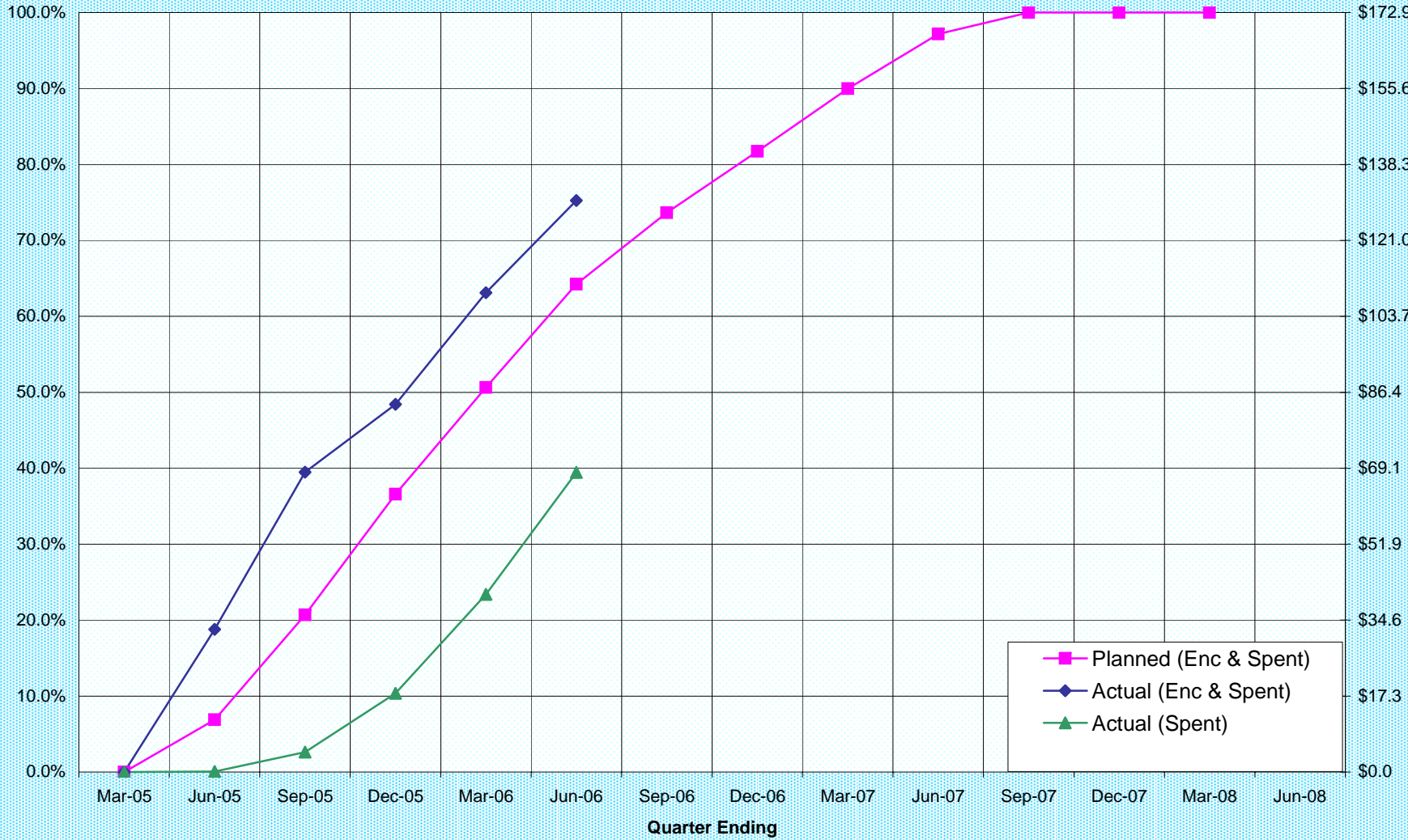
### FY 2006 HEAPR Spending Rate

Appropriation  
(Millions)



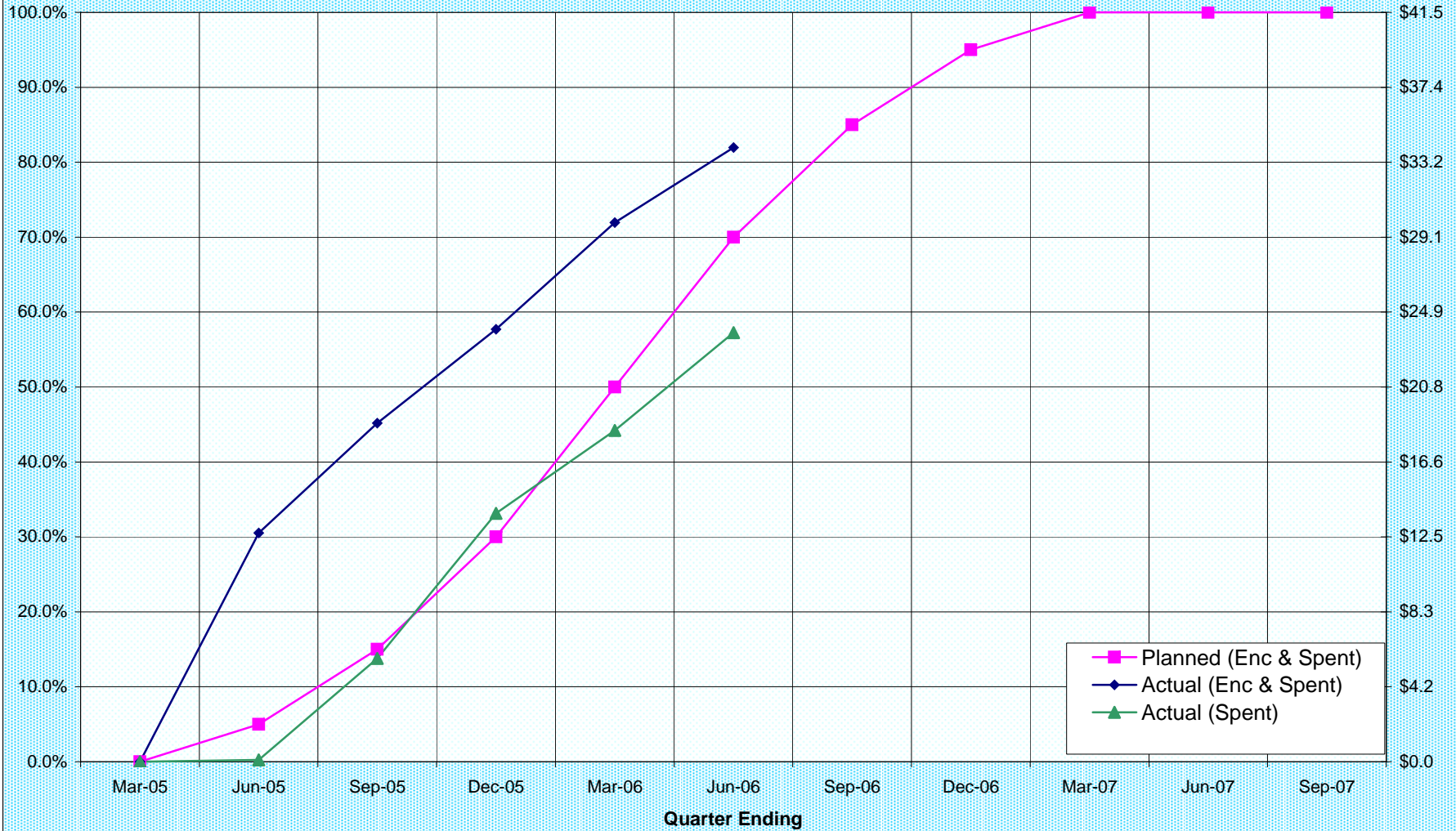
### FY 2005 Capital Spending Rate

Appropriation  
(Millions)



### FY 2005 HEAPR Spending Rate

Appropriation  
(Millions)



### FY 2003 Capital Spending Rate

