

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 7 – J

DATE: October 4-6, 2016

SUBJECT: DSU Residence Hall and Trojan Center Student Union Update

The Building Committee met on September 26, 2016 to approve budget changes to the DSU Residence Hall and Trojan Center Student Union projects. DSU was successful in getting a Title III grant that included \$462,000 that could be invested in the Learning Engagement Center Space, located in the basement of the old hospital. The Building Committee also added \$57,587.44 from the Auxiliary System Renewals/Renovations/Replacement funds. The total dollars added to the two projects was \$519,587.44.

Residence Hall/Learning Engagement Center (former Madison Hospital):

The total project budget was increased by \$44,366.45 from \$7,840,357 to \$7,844,723.45. The Guaranteed Maximum Price (GMP) was increased from \$6,092,000 to \$6,231,505. In early September, DSU was notified of a Title III grant award which included funding for construction. The Title III space, the Learning Engagement Center, will be located within the lower level of the former Madison Hospital. With the influx of these additional funds, DSU is able to expand the project slightly and renovate additional space in the facility. The funds freed up \$417,634 that was shifted to the Trojan Center project.

Trojan Center Renovation/Addition:

The total project budget was increased by \$475,220.99 from \$7,860,000 to \$8,335,220.99. The Guaranteed Maximum Price (GMP) was increased from \$6,689,814 to \$7,172,183. Within the bid packages for this project were several alternates including a reroof of the majority of the facility. The reroof was structured as alternates in the bid to provide flexibility to ensure the overall project could be within budget. While a new roof is needed in the near future, it would not be an absolute necessity at this time. Bids for these alternates did come back favorably, but yet not low enough to stay within the original GMP approved by the Building Committee. Because the reroof is needed in the near future, and the pricing in the future will most likely be more expensive than completing it now, DSU felt that it was prudent to accept the alternate which was approved by the Building Committee.

A summary of the current project budgets follow as well as a recap of the original funding sources and the current sources as approved by the Building Committee.

(Continued)

INFORMATIONAL ITEM

DSU Auxiliary System Projects

Combined Trojan Center & Res. Hall/LEC Budget

	Trojan Center	Res Hall/LEC	Total
Original GMP	\$ 6,689,814.00	\$ 6,092,000.00	\$ 12,781,814.00
Proposed GMP	\$ 7,172,182.32	\$ 6,231,504.20	\$ 13,403,686.52
Difference	\$ (482,368.32)	\$ (139,504.20)	\$ (621,872.52)
Original Outside GMP Budget	\$ 1,170,186.00	\$ 1,748,357.00	\$ 2,918,543.00
Proposed Outside GMP Budget	\$ 1,163,038.67	\$ 1,653,219.25	\$ 2,816,257.92
Difference	\$ 7,147.33	\$ 95,137.75	\$ 102,285.08
Original GMP + Outside GMP	\$ 7,860,000.00	\$ 7,840,357.00	\$ 15,700,357.00
Proposed GMP + Outside GMP	\$ 8,335,220.99	\$ 7,884,723.45	\$ 16,219,944.44
Difference	\$ (475,220.99)	\$ (44,366.45)	\$ (519,587.44)

Original Funding Sources:	Trojan Center	Res Hall/LEC	Total
Auxiliary Bond Funds	\$5,000,000	\$7,000,000	\$12,000,000
Sodexo Cap Invest	\$2,500,000		\$2,500,000
HEFF M&R		\$420,357	\$420,357
Aux. M&R	\$200,000	\$420,000	\$620,000
Commission Fund	\$160,000		\$160,000
Total	\$7,860,000	\$7,840,357	\$15,700,357

Proposed Funding Sources:	Trojan Center	Res Hall/LEC	Total
Auxiliary Bond Funds	\$5,000,000	\$7,000,000	\$12,000,000
Sodexo Cap Invest	\$2,500,000		\$2,500,000
HEFF M&R		\$420,357	\$420,357
Aux. M&R	\$675,229	\$2,366	\$677,595
Commission Fund	\$160,000		\$160,000
Title III Funding		\$462,000	\$462,000
Total	\$8,335,229	\$7,884,723	\$16,219,952