

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 4 – O
DATE: April 2-4, 2019

SUBJECT

Maintenance & Repair (M&R) Projects

CONTROLLING STATUTE, RULE, OR POLICY

[BOR Policy 6:6](#) – Maintenance and Repair

[HB1020](#) – Revise Certain Provisions Regarding State Building Committees for Capital Improvement Projects

BACKGROUND / DISCUSSION

According to BOR Policy 6:6 – Maintenance and Repair, projects not on an approved list estimated to cost more than \$250,000 must be submitted for Board approval. Any changes, other than funding realignments and transfers, over \$250,000 to an approved project must be submitted to the Board.

During the 2019 legislative session, [HB1020](#) was passed. This bill changed the definition of a capital improvement project and thus the requirement of a building committee. Previously, a capital improvement project was defined as any project over \$1.5M in cost. HB1020 has increased that threshold to \$5M. While the law does not go into effect until July 1, 2019, the Office of the State Engineer has determined that if expenses will not exceed the \$1.5M prior to July 1, the project can proceed without a building committee. BOR policies change will be needed to 6:4, 6:5, and 6:6 to align with this new law. M&R projects greater than \$250,000 and less than \$5M will be submitted to the Board of Regents

(Continued)

DRAFT MOTION 20190402_4-O:

I move to approve the following SDSU maintenance and repair projects: Box Culvert Design & Construction at a cost of \$435,400; Foundation Seed Stock Storage Shed & Seed Building Paved Areas at a cost of \$265,000; Matthews Hall Fire Alarm Upgrade at a cost of \$305,400; Meadows North Building Skin & HVAC Repairs at a cost of \$3,717,781; Meadows South Building Skin & HVAC Repairs at a cost of \$3,723,042; Morrill Hall Data Center Cooling at a cost of \$300,500; Retention Pond Weir at a cost of \$309,000; University Student Union Renovation – Phase 1 at a cost of \$1,058,000, and University Student Union – Einstein Bros Bagels/Weary Wills Back of House Renovation at a cost of \$345,000. I also move to approve the USD request to transfer \$400,000 of auxiliary M&R funds from Richardson Hall and Olson Hall to Burgess Hall and Norton Hall as described in the attached.

as a consent item and will not require a building committee. This means that fewer projects require preliminary facility statements, facility program plans, and facility design plans. The BOR policy changes will propose that all new construction will still require a building committee.

Attached is the list of projects submitted by the Regental institutions.

IMPACT AND RECOMMENDATIONS

Approval of the projects will allow the institutions to complete projects over the summer construction season. Staff recommend approval of these projects.

ATTACHMENTS

Attachment I – List of M&R Projects between \$250,000 and \$5,000,000

South Dakota State University requests approval of the following items:

Box Culvert Design & Construction: SDSU requests using FY18 general M&R funds in the amount of \$130,620 (originally approved for Berg Ag Hall) and \$304,780 committed by the City of Brookings to design and construct a new box culvert under 11th Avenue (University Boulevard). The total cost is expected to be \$435,400.

Foundation Seed Stock Storage Shed & Seed Building Paved Area: SDSU requests to design and construct a paved area around the Foundation Seed Stock Storage Shed and the Foundation Seed Building at a cost of \$265,000. Funding for this project will come from the Foundation Seed Stock Revolving fund.

Matthews Hall Fire Alarm Upgrade: In December 2017, the Board approved the auxiliary maintenance and repair projects for Binnewies Hall at South Dakota State University. SDSU requests to reassign \$305,400 of these funds to Matthews Hall to upgrade the fire alarm and detection system. All systems will meet current code and operational requirements.

Meadows North Building Skin & HVAC Repairs: SDSU requests approval to replace the exterior sheathing, siding, and brick and repair the interior face of the exterior walls. The project scope will include upgrading apartment HVAC units to include recommended outside air. The goal of the project is to eliminate condensation problems caused by thermal short circuits of the light and heavy gauge steel construction. The solutions will require replacement of the building skin with insulated sheathing and new finish materials. Existing air handling equipment will be replaced with new units. The project would be designed by Farris Engineering and their architectural consultant, who is retained on another project. The project will be completed in phases and is likely to utilize multiple construction contracts that are competitively bid as design, bid, build construction projects. Rent revenues maintenance and repair funds will be used for this \$3,717,781 project.

Meadows South Building Skin & HVAC Repairs: SDSU requests approval to replace the exterior sheathing, siding, and brick and repair the interior face of the exterior walls. The project scope will include upgrading apartment HVAC units to include recommended outside air. The goal of the project is to eliminate condensation problems caused by thermal short circuits of the light and heavy gauge steel construction. The solutions will require replacement of the building skin with insulated sheathing and new finish materials. Existing air handling equipment will be replaced with new units. The project would be designed by Farris Engineering and their architectural consultant, who is retained on another project. The project will be completed in phases and is likely to utilize multiple construction contracts that are competitively bid as design, bid, build construction projects. Rent revenues maintenance and repair funds will be used for this \$3,723,042 project.

Morrill Hall – Data Center Cooling: At an estimated cost of \$300,500, SDSU requests to design and construct an in-row cooling system dedicated to UNSS high density servers located within the east half of the data center. The system will reconfigure the rack arrangement for cold aisle cooling containment. The project will be designed by campus

facilities and services engineering staff. Minor structural analysis will be provided by a design consultant. SDSU Technology Revolving Fund will be used to fund this project.

Retention Pond Weir: This project is for the full design and construction of an outlet weir for the retention pond located north of the North Headhouse, near the intersection of Medary Avenue and US Highway 14 By-pass. Reassigning \$209,000 of general funds maintenance & repair (M&R) money and a \$100,000 contribution from the City of Brookings will fund the \$309,000 project.

University Student Union Renovations – Phase 1: Phase 1 of the renovation of the University Student Union includes relocating the Office of Multicultural Affairs to make it more prominent to all students and increase its ability to serve students; to expand and relocate the Career Development Services offices to serve more students and expand offerings to graduating students and employer-in-resident programs; to examine student organization space to provide space that may be used by multiple organizations simultaneously and increase the visibility of student engagement and various organizations; to modernize conference and meeting rooms throughout; and to modernize the lower level of the building and remodel for more efficient use of space that fosters student engagement and house functions more appropriate to the level of the building. SDSU plans to use \$1,058,000 of auxiliary maintenance and repair funds.

University Student Union – Einstein Bros Bagel/Weary Wills Back of House Renovation: SDSU requests approval to renovate portions of the University Student Union that would provide additional back of house services for Einstein Bros Bagels and Weary Wills restaurants. The project will be funded using \$345,000 from the University Food Service Management Account. The project will include additional storage and kitchen equipment.

University of South Dakota requests approval of the following project:

Burgess Hall/Norton Hall – Building Automation BAS Upgrades (Controllers and Thermostats): USD requests to transfer \$400,000 of Auxiliary M&R funds previously approved for Richardson and Olson Halls to Burgess and Norton Halls because Burgess and Norton Halls will be offline this summer for other projects. Therefore, USD plans to replace the existing building automation controllers and thermostats with Johnson Controls building automation.