

University of North Dakota June 16, 2011

Authorize an increase from \$350,000 to \$2.0 million in construction and acceptance of infrastructure and other related improvements associated with the Alumni Center construction on adjacent UND property, with funding for all costs donated by the UND Alumni Association and Foundation; according to section 7 of SBHE Policy 902.3, authorize the UND Alumni Association to make those improvements on adjacent UND property as specified by UND officials; further authorize UND to seek Budget Section approval to accept gift per ND 15-10-12.1.

Project Description

Per donor requirements, the UND Alumni Center is being constructed on the UND campus as a LEED Platinum certified building. In November 2010, the SBHE authorized \$350,000 infrastructure and paving work to include water, sewer, electrical, steam, parking lots, roadways and other such appurtenance required for the operation of the facility. This initial infrastructure work will now need to be completed consistent with LEED requirements. In addition, site work required to achieve this certification includes installation of geo-transfer well fields, special storm water controls, special landscaping, and solar panel installations. Preliminary estimates indicate a total gift potential of up to \$2,000,000.

This work is to be done by contractors hired by the UND Foundation as part of the overall construction process, as specified by UND officials. Therefore, an exemption to SBHE policy 902.3, section (7) is required as that policy states: "Except as otherwise explicitly approved by the Board and excluding institution land leased to a private entity for development under SBHE policy 910.1, all projects on institution land or involving institutionally-owned buildings or facilities, or projects for the benefit of the institution on land or in a building or facility not owned by the institution requiring expenditure of any public funds, must be managed by the institution a party to all contracts. Institutions must account for all project costs through the ConnectND accounting system." By Board action, spending on the infrastructure and other related improvements associated with the Alumni Center construction on adjacent UND property, is limited to a cost not to exceed \$2,000,000. The infrastructure will be wholly owned and operated by UND, with utility charges associated with the improvements to include fees appropriate for annual maintenance costs for the new infrastructure and other improvements.

Consistency with Campus Facility Master Plan and Budget

This project is a key component for fund raising activities required for campus growth outlined within the entire Facility Master Plan.

SBHE and/or Legislative History

- The North Dakota legislature amended Chapter 15 of the NDCC in 1997 specifically to provide for construction of an Alumni Center on the UND Campus.
- September 2007: Authorized UND to enter into an agreement with the UND Alumni Association and Foundation to enable the foundation to make estimated \$250,000 infrastructure improvements to facilitate subsequent construction of a new UND Alumni Center
- October 2009: Approve total authorized expenditure of \$1,262,705, for the President's Home, all to be paid by private funds and in-kind gifts, and furthermore the board authorize to proceed to the Budget Section to request approval of the increased amounts and to include authority to accept gifts for the UND alumni center in the amount of \$445,308 and approve the amended motion.

- November 2010: Approve site of new Alumni Center at UND according to NDCC section 15-11-22, to be constructed and owned by the UND Alumni Association; also, according to NDCC section 15-10-12.1, authorize construction and acceptance of infrastructure and other related improvements associated with the Alumni Center construction on adjacent UND property, at a cost not to exceed \$350,000, with funding for all costs donated by the UND Alumni Association and Foundation and, according to section 7 of SBHE Policy 902.3, authorize the UND Alumni Association to make those improvements on adjacent UND property as specified by UND officials.

Estimated Total Purchased or Donated Costs:

Planning, Permits and Insurance (design and preplanning costs, architect and engineer fees, permits, insurance, commissioning)	\$100,000
Land/Building Preparation and Purchase or Donated Costs (site survey and soil testing)	\$0.00
Demolition and Disposal	\$0.00
Construction (foundation and building construction, infrastructure and utilities, mechanical and electrical)	\$1,550,000
Furniture and Equipment (fixed or movable appliances, furniture and equipment)	\$0.00
Other third party costs	\$0.00
Institutional work (value of work completed by institution staff and billed to the project)	\$0.00
Contingency	\$0.00
Hazardous Material Abatement	\$0.00
Other (please describe)	\$0.00
TOTAL	\$1,650,000

No other work, other than that specified within this request, is required for the completion of the project not is other work planned to supplement this project using funding or authority not included within this request.

Future Operating/Improvement Costs and Funding Sources

No additional operating costs or improvement costs are required as a result of this project.

Source and Availability of Funds

A direct gift of funds to the UND Alumni Foundation and subsequent construction of the improvements by a contractor selected and retained by the UND Alumni Foundation.

Estimated Project Timeline and Completion Date

Project will begin when authorization is received. Estimated completion time is 12 months.