

EXECUTIVE SUMMARY

Item Name: **FY 2013 Capital Development Plan (NAU)**

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Action Item

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Discussion Item

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Information Item

ISSUE: Northern Arizona University requests approval of the FY 2013 Capital Development Plan (CDP) which includes no new projects and two resubmitted projects. There are no third-party projects. The CDP totals \$100.4 million.

Previous Board Action:

Amended FY 2012 Capital
Development Plan

November 2011

Statutory/Policy Requirements:

- Pursuant to Arizona Board of Regents Policy Chapter 7-107, each university shall submit an annual Capital Development Plan for the upcoming fiscal year in accordance with the calendar approved by the President of the Board.
- Capital Development Plans are reviewed by the Business and Finance Committee and approved by the Board.
- Approval of the CDP allows universities to complete design and planning in preparation for submitting individual projects for final approval by the Business and Finance Committee, with a final report to the full Board.

Overview and Alignment with Enterprise and University Goals and Objectives:

- The NAU FY 2013 CDP includes two resubmitted projects totaling \$100.4 million and no third-party projects.
- NAU has developed the CDP to align with the approved university campus master plan, and the system Enterprise and university strategic goals and objectives.
- The primary institutional priorities supported by the CDP include:

Academic & Research Needs: The educational and research programs contribute greatly to the quality of life and economic vitality of our state. However, it must continue to increase operational efficiencies and the number of degrees awarded while improving student success, retention and graduation rates. Research revenues must nearly double to reach goals and metrics for Research and Educational Excellence in the Enterprise Plan.

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Student Support Requirements: New facilities and student success programs must be provided to assure successful student recruitment, housing, socialization, retention and graduation.

Life Safety & Code Compliance: Life safety and code compliance issues must take highest priority to assure the safety of students, staff and visitors. Safety and code compliance issues must be resolved promptly. The University continues to address the need for expanded laboratory space with new construction due to code and life safety issues in existing 1960's buildings.

Campus Operations & Infrastructure Priorities: Facilities must be kept in a safe, operational and maintainable condition. Campus buildings and utility systems must be efficient and cost-effective to maximize the use of operational funds over time. Infrastructure improvements should be made in district-wide increments when possible to maximize economies of scale and potential cost savings. Critical maintenance and renovations must not fall behind, even when state building renewal funds are not received. Major renovations, such as the Fieldhouse, become necessary to address aging building systems.

Community Service Opportunities: Community service and community engagement are vital aspects of the NAU mission, and are integral with most of the University's programs. One of the University's strategic goals is meeting the needs of local communities by delivering programs through effective and efficient educational enterprises.

Construction Market Conditions: The University should endeavor to take the greatest possible advantage of favorable construction market conditions with its timing and approach to capital projects.

Funding Sources & Financing Options: Project funding and financing should be carefully considered for every individual project, to take advantage of windows of opportunity, to maximize the resources available with minimal impacts on tuition rates and to responsibly manage the assets of the University. The use of gift and SPEED bond funds should be optimized and alternative funding approaches should be considered when appropriate. Impacts to tuition should be avoided when possible. Financial resources must be judiciously utilized to meet the highest institutional priorities and the University's financial strength and standing must be preserved.

Capital Development Plan Projects:

- The following lists the resubmitted projects proposed for CDP approval:

Project 1: Science and Health Building
Project 2: Multi-Purpose Events Facility

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- Additional detail on project costs, financing, and scope can be found in the tables in Exhibits 1 and 2, and the individual Project Justification Reports attached at the end.

Fiscal Impact and Management:

- The NAU CDP, if fully implemented, will cost a total of \$100.4 million.
- Of the total amount, \$71.9 million will be financed using debt backed by lottery revenues (SPEED).

Debt Ratio Impact:

- The debt service associated with projects in the CDP will increase the debt ratio by 0.00 percent excluding SPEED projects, and 1.08 percent including SPEED projects.
- The tables in Exhibits 1 and 2 provide detail project financing, funding sources and debt ratio impact.

Recommendation:

That the Business and Finance Committee review and recommend Board approval of the NAU FY 2013 Capital Development Plan.

EXECUTIVE SUMMARY**EXHIBIT 1**

NORTHERN ARIZONA UNIVERSITY

FY 2013 Capital Development Plan

| Project | Project Approval Status | Gross Square Footage | Project Cost | Amount Financed | Funding Method | Annual Debt Service ¹ | Debt Ratio |
|----------------------------------|-------------------------|----------------------|---------------|-----------------|-----------------------------|----------------------------------|------------|
| New Projects | | | | | | | |
| NA | | | | | | | |
| New Projects Total | | | | \$ - | | \$ - | |
| Resubmitted | | | | | | | |
| Science and Health Building | CDP 12/10 | 120,000 | \$ 71,900,000 | \$ 71,900,000 | Lottery Revenue Bonds (SLP) | \$ 3,993,000 | 1.08% |
| Multi-Purpose Events Facility | CDP 12/10 | 94,000 | \$ 28,500,000 | \$ - | OLF/AUX/ Gift | NA | 0.00% |
| Resubmitted Total | | | | \$ 71,900,000 | | \$ 3,993,000 | |
| Previously Approved | | | | | | | |
| NA | | | | | | | |
| Previously Approved Total | | | | \$ - | | \$0 | |
| TOTAL | | | | \$ 71,900,000 | | \$ 3,993,000 | |

Note¹: Debt Service: Estimated annual payment interest only for 5 years of \$3,993,000, principal and interest payments of approximately \$4,930,000 (beginning in 2018), 35 years at 5.50%; 30 years at 6%.

Fund Source Codes:

301 Fund/Other (301)

General Fund Appropriation (GFA)

Indirect Cost Recovery (ICR)

Other Local Funds (OLF)

Debt Financed by Gifts (DFG)

Debt Financed by Federal Grant (DFT)

State Lottery Allocation Proceeds (SLP)

Auxiliary (AUX)

Other (OTH)

Tuition (TUI)

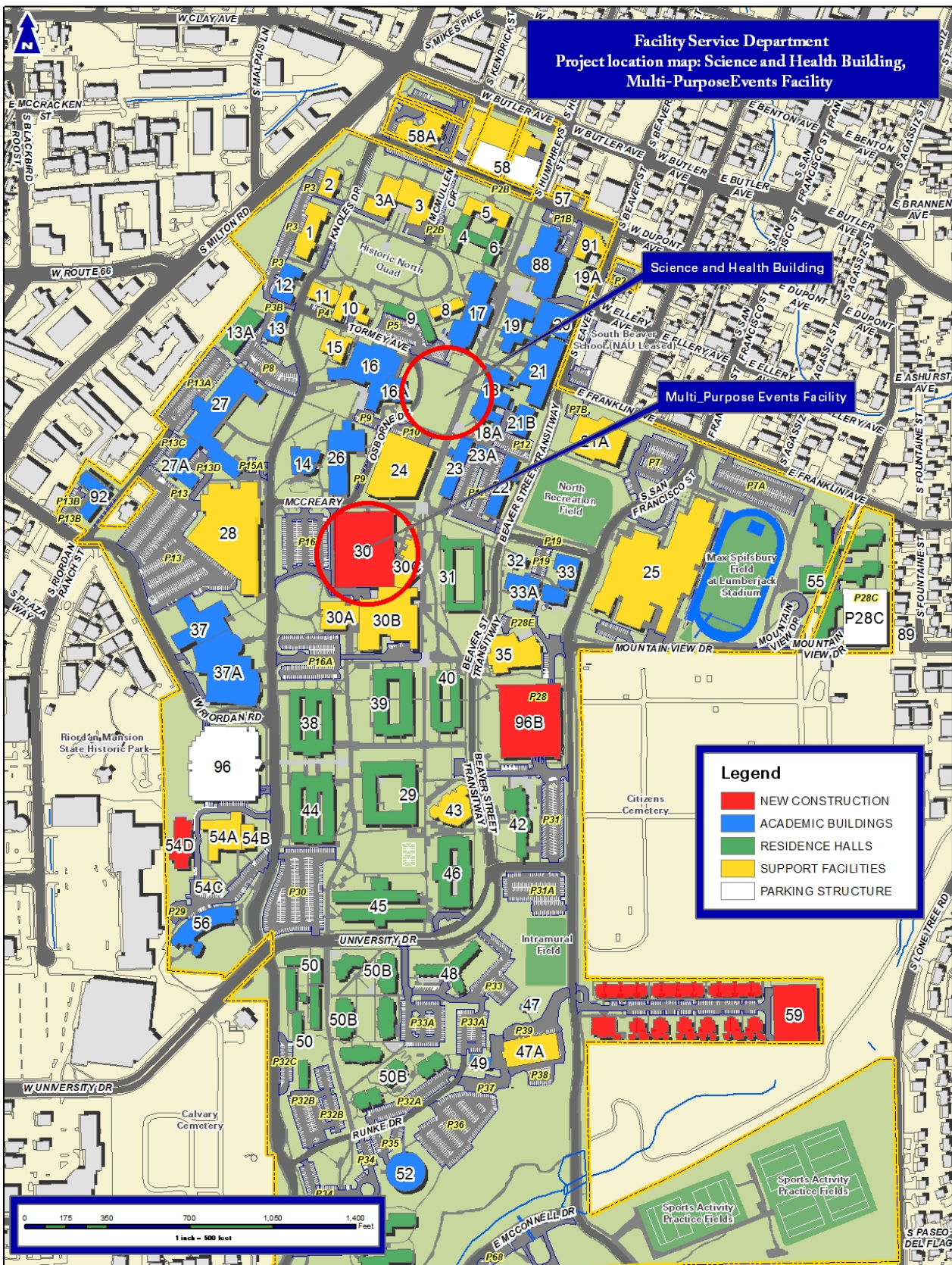
EXECUTIVE SUMMARY**EXHIBIT 2****NORTHERN ARIZONA UNIVERSITY**

| CAPITAL DEVELOPMENT PLAN - ANNUAL DEBT SERVICE BY FUNDING SOURCE | | | | | | | | | | | |
|---|------------------------|------------|------------|------------|------------|------------|--------------|------------|------------|------------|----------------------------------|
| Project | Amount Financed | 301 | TUI | AUX | ICR | OLF | SLP | FGT | DFG | OTH | TOTAL ANNUAL DEBT SERVICE |
| New Projects | | | | | | | | | | | |
| NA | | | | | | | | | | | |
| New Projects Total | | | | | | | | | | | |
| Resubmitted | | | | | | | | | | | |
| Science and Health Building | \$ 71,900,000 | 798,600 | | | | | \$ 3,194,400 | | | | \$ 3,993,000 |
| Multi-Purpose Events Facility | \$ - | | | | | | | | | | NA |
| Resubmitted Total | \$ 71,900,000 | \$ 798,600 | - | - | - | - | \$ 3,194,400 | | | | \$ 3,993,000 |
| Previously Approved | | | | | | | | | | | |
| NA | | | | | | | | | | | \$ - |
| Previously Approved Total | | | | | | | | | | | \$ - |
| Total | \$ 71,900,000 | \$ 798,600 | \$ - | \$ - | \$ - | \$ - | \$ 3,194,400 | \$ - | \$ - | \$ - | \$ 3,993,000 |

| CAPITAL DEVELOPMENT PLAN - OPERATION AND MAINTENANCE BY FUNDING SOURCE | | | | | | | | | | |
|---|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Project | TOTAL ANNUAL O&M | 301 | TUI | AUX | ICR | OLF | GFA | FGT | DFG | OTH |
| New Projects | | | | | | | | | | |
| NA | \$ - | | | | | | | | | |
| New Projects Total | \$ - | | | | | | | | | |
| Resubmitted | | | | | | | | | | |
| Science and Health | \$ 795,000 | | | | | | \$ 795,000 | | | |
| Multi-Purpose Events Facility | NA | | | NA | | | | | | |
| Resubmitted Total | \$ 795,000 | | | | | - | \$ 795,000 | | | |
| Previously Approved | | | | | | | | | | |
| NA | | | | | | | | | | |
| Previously Approved Total | \$ - | | | | | | | | | |
| Total | \$ 795,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 795,000 | \$ - | \$ - | \$ - |

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FY 2013 Capital Development Plan Map



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**Arizona Board of Regents
Northern Arizona University
Capital Development Plan Project Justification Report
Science and Health Building
(NAU Project Number: #09.360.111)**

1. Previous Board Action:

| | |
|---|----------------|
| Capital Improvement Plan | September 2010 |
| Amended FY2011 Capital Development Plan | December 2010 |
| FY2012 Capital Development Plan | June 2011 |
| Amended FY2012 Capital Development Plan | November 2011 |

2. Statutory / Policy Requirements:

- Pursuant to Arizona Board of Regents Policy Chapter 7-102, all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology projects shall be brought to the Business and Finance Committee for approval regardless of funding source or financing.

3 Project Justification/Strategic Implications/Project Compliance with Mission, Strategic Plan, Master Plan and Community Input Process:

- Increasing enrollments at NAU have lead to a shortage in undergraduate laboratory space. As a consequence of the University's overall growth, and the particular concentration of growth in science-intensive curricula, laboratory sections have increased 60% over the last few years. Enrollments in science-oriented curricula have increased 88% between Fall 2004 and Fall 2010. Enrollments continue to outpace available laboratory space. This facility will provide quality space to meet the unprecedented demands for science classes.
- The University is focused upon strengthening the first-year and second-year academic experience as a foundation for high achievement and student retention. Learning environments are critical components to that goal. Both the University Master Plan and the University Strategic Plan promote quality student learning environments that facilitate student integration into the campus community. Student retention and recruitment are inherently linked with the quality of facilities.

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- One of the master plan guiding principles identifies improved quality and functionality of campus facilities. Due to obsolescence and code deficiencies that are prohibitive factors to renovating the existing 44-year-old Chemistry laboratory building, new construction addresses increasing student enrollments and provides critical learning and research environments for science and health programs. Increasing research and educational excellence is a focus of the Arizona Higher Education Enterprise Plan.
- Research revenues must nearly double for the University to reach its goals and metrics for Research and Educational Excellence in the Enterprise Plan. To facilitate performance and research opportunities at NAU as a High Research institution, functional laboratories and facilities must be available. Students, faculty and research activities are all constrained by poorly functioning facilities. It is not feasible that this goal can be achieved in the existing chemistry facility with its inoperable and obsolete mechanical systems and equipment.
- This project is consistent with the Arizona Higher Education Enterprise Plan, the University Master Plan, the University Strategic Plan and Mission. As a university committed to its goals of providing excellence in undergraduate education, strengthening graduate education and research, and increasing enrollment and retention of students, this project directly focuses upon providing high-quality environments that facilitate achievement of these goals.

4. Project Description/Scope/Compliance with Space Standards:

- This project includes construction of approximately 120,000 square feet of flexible teaching and research laboratories and classrooms for chemistry. A key component of this project includes a new central chemical distribution facility for improved environmental and safety controls. The new building is planned to be the pivotal scientific center of the campus scientific quad.
- The Science and Health building will replace existing instructional and research laboratories in Building 20, Chemistry. The Chemistry laboratories were constructed in the early 1960's and renovation of these laboratories to meet current building and life safety codes would be technically prohibitive and not financially feasible. Critical code issues have been identified in the existing wet laboratories in Building 20, resulting in the closure of several teaching laboratories. The Science and Health project is anticipated to replace these obsolete and poorly functioning, or non-functioning, laboratories in Chemistry.

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- The Chemistry building has been designated a *red* building based upon its facility condition index and is scheduled for future demolition. If possible, adaptive re-use of the laboratories as classrooms is being explored; but, the existing building envelop is very poor, especially for the Flagstaff environment and renovation may not be feasible.
- As an infill project on north campus, the project site is a designated location consistent with a unified scientific complex which includes the Science Laboratory Facility, and is consistent with the approved Master Plan. This location will facilitate the transition from the north-south pedway onto the newly improved historic North Quad. The site's existing infrastructure provides ease of connection to existing campus utility systems and will provide opportunities to upgrade some aging tunnels during construction.
- The project will be designed in accordance with university design standards and will be constructed of high quality, maintainable materials and building systems to maximize energy efficiency and minimize operational, repair, and replacement costs. Due to the project's location near the University's historic quad, material selections will be complementary of the unique historical character.
- In an effort to demonstrate the University's commitment to responsible, sustainable design, and in response to the Governor's mandate that facilities be designed in a sustainable manner, this new construction project will incorporate sustainable materials and practices wherever possible.
- All applicable spaces within the Science and Health Building will comply with the ABOR space guidelines.

5. Project Delivery Method and Process:

- Selection of the Design Professional and Construction Manager at Risk (CMAR) is complete. The CMAR was selected through the capital project selection committee process prescribed by the ABOR Procurement Code. A licensed contractor from the community was included on the selection committee as required by ABOR policy.
- This approach was selected because it can save time through fast-track project scheduling, it provides contractor design input and coordination throughout the project, it improves potentially adversarial project environments, and it allows for the selection of the most qualified contractor team for each individual project. With the use of two independent estimates, qualification selection and low bid subcontractor work for the actual construction, this method also provides a high level of cost and quality control.

EXECUTIVE SUMMARY**6. Project Status and Schedule:**

- This project is in the schematic design phase. The following depicts the schedule for selection of DP and CMAR services:

| | |
|----------------|------------------|
| DP Selection | February 3, 2011 |
| CMAR Selection | April 21, 2011 |
- NAU received 24 submittals from Design Professionals and 21 submittals from Construction Manager at Risk firms in response to the Request for Qualifications.
- A Guaranteed Maximum Price (GMP) is planned February 2013 based upon 90% CDs. Project Approval (PA) submission is planned April 2013, with JCCR review to precede PA approval. General construction is scheduled to begin when all approvals are in place, April 2013.
- Construction completion is planned fall 2015.

7. Project Cost:

- The Science and Health construction project has an estimated total budget of \$71.9 million. Funding for the construction includes \$71.9 million in SPEED bonds. The debt service will be funded by TRIF and lottery proceeds.

- Relevant comparable projects are listed below and include:

| Comparable Project | Location | Project Gross Square Feet | Construction Cost/sf |
|----------------------------|----------|------------------------------|-------------------------|
| Chemical Science Bldg | UA | 85,661 | \$547.69 |
| Medical Research Bldg | UA | 135,280 | \$425.68 |
| ISTB 4 | ASU | 294,000 | \$372.72 |
| Average Comparable Project | | 171,647 | \$448.70 |

- Considering these relevant comparable construction costs, the Science and Health Building budgeted construction cost of \$419 per square foot is within an appropriate range.
- A third-party estimate received early May 2012 corroborated construction costs for the project. The DP/CMAR estimate and the third-party estimate for construction were within 1.7% of each other.
- The Construction Manager is at risk to provide the completed project within the agreed upon GMP. A final report on project control procedures, such as change orders and contingency use, will be provided at project completion.

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8. Fiscal Impact and Financing Plan:

- The project funding will be lottery backed revenue bonds. The University portion of debt service would be funded from TRIF.
- This project consists of an estimated 120,000 square feet of new space. Operations and Maintenance costs are estimated at \$795,000 annually. Northern Arizona University will request a General Fund Appropriation for operations and maintenance support through the standard legislative request process.
- Debt Ratio Impact: The incremental debt ratio for this project would be 1.08%

9. Backfill / Use Plan:

- Currently, there is no backfill plan associated with this project due to planned demolition of Building 20, Chemistry.
- As part of an assessment of adaptive re-use of the building as classrooms and offices, potential program uses will be identified.

10. Alternatives:

- The University has considered alternatives to the new construction, but viable options do not exist. Demolition of Building 20 first would impact laboratory science deliveries and there is no available space on campus or in the community to relocate those classes. Lease space that could be modified as laboratory space is not available in Flagstaff. Existing laboratory properties for sale in Flagstaff do not exist. As stated previously, the condition of Building 20 precludes renovation of the space for laboratories.

11. Description of Other Related Projects including Infrastructure Improvements:

- To maintain utility redundancy, a new chiller will need to be installed in the North Heating and Cooling Plant. The existing North Plant building has the capacity to accept the added chiller. The estimated cost is \$3.5M for the chiller and the associated installation.

EXECUTIVE SUMMARYCapital Project Information Summary**University:** Northern Arizona University**Project Name:** Science and Health Building**Project Description and Location:**

The project is new construction of a 120,000 square feet research and teaching laboratory on north campus.

Project Schedule:

| | |
|--------------------|--------------|
| Planning | Winter 2010 |
| Design Start | January 2011 |
| Construction Start | April 2013 |
| Occupancy | August 2015 |

Project Budget:

| | | |
|------------------------------|-------------|-----------------|
| Facility Useful Life | 50-75 years | (approximately) |
| Total Project Cost | \$ | 71,900,000 |
| Total Project Cost per sq ft | \$ | 599 |
| Direct Construction Cost | \$ | 50,250,000 |
| Construction Cost per sq ft | \$ | 419 |

Change in Annual**Operating/Maintenance Costs:**

| | | |
|--------------------------------|----|----------------|
| Utilities – New Square Footage | \$ | 360,000 |
| Personnel | \$ | 210,000 |
| All Other Operating | \$ | 225,000 |
| Subtotal | \$ | 795,000 |

Funding Sources:

Capital:

| | | |
|-------------------------|----|-------------------|
| • Gifts | \$ | |
| • Lottery Revenue Bonds | \$ | 71,900,000 |
| • Local Funds | \$ | |
| Subtotal | \$ | 71,900,000 |

Operation/Maintenance:

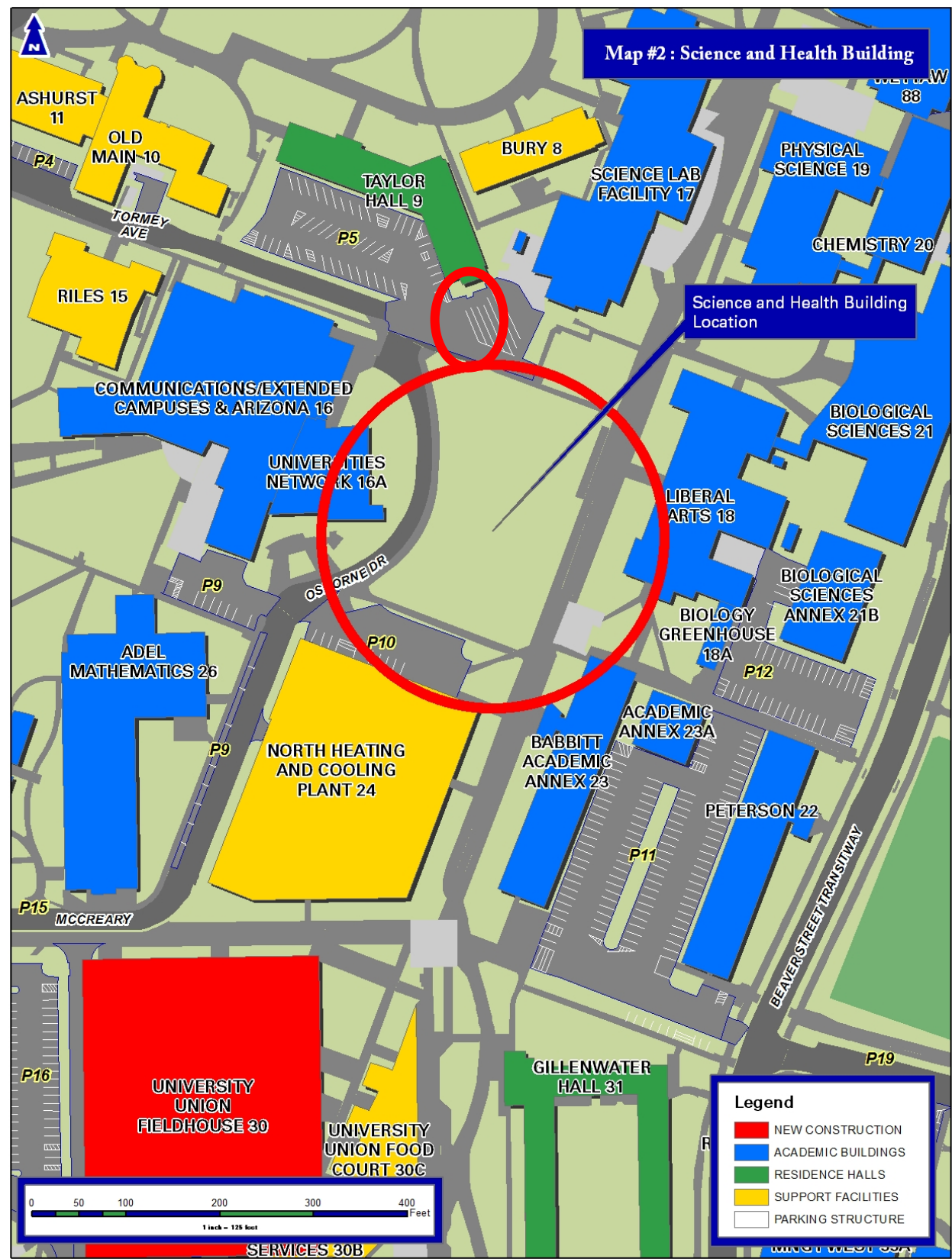
- Funding Source: General Fund Appropriation

EXECUTIVE SUMMARYCapital Project Cost EstimateUniversity: Northern Arizona UniversityProject: Science and Health Building

| | <u>Capital Development Plan</u> | <u>Project Approval</u> |
|--|---|-----------------------------|
| Capital Costs | | |
| 1. Land Acquisition | \$ - | \$ - |
| 2. Construction Cost | | - |
| A. New Construction | 50,250,000 | |
| B. Renovation | | - |
| C. Fixed Equipment (Owner Furnished) | - | - |
| D. Site Development (excl. 2.E.) | - | - |
| E. Parking and Landscaping | - | - |
| F. Utilities Extensions | - | - |
| G. Other (Solar Panels) | - | - |
| G. Inflation and Market Adjustment <u>(0.0%)</u> | - | - |
| Subtotal Construction Cost | <u>\$ 50,250,000</u> | <u>\$ -</u> |
| 3. Fees | | |
| A. Construction Mgr <u>(<1%)</u> | \$ 425,000 | |
| B. Architect/Engineer <u>(10.8%)</u> | 5,470,190 | |
| C. Other <u>(<1%)</u> | 400,000 | |
| Subtotal Consultant Fees | <u>\$ 6,295,190</u> | <u>\$ -</u> |
| 4. FF&E Movable | \$ 6,865,000 | |
| 5. Contingency, Design Phase <u>(7.5%)</u> | 410,264 | - |
| 6. Contingency, Construction Phase <u>(7.5%)</u> | 3,800,625 | |
| 7. Parking Reserve | - | |
| 8. Telecommunications/Security Equip | 250,000 | |
| Subtotal Items 4-8 | <u>\$ 11,325,889</u> | <u>\$ -</u> |
| 9. Additional University Costs | | |
| A. Surveys, Tests, Inspections, etc. | \$ 1,340,000 | |
| B. Move-in Costs | 150,000 | |
| C. Printing Advertisement | 150,890 | |
| D. 3rd Party Estimate, Audit | 88,645 | |
| E. Project Management Cost <u>(3%)</u> | 2,094,175 | |
| F. State Risk Mgmt Insurance <u>(.0034%)</u> | 205,211 | |
| Subtotal Additional University Costs | <u>\$ 4,028,921</u> | <u>\$ -</u> |
| TOTAL CAPITAL COST | <u>\$ 71,900,000</u> | <u>\$ -</u> |

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12. Project location map: Science and Health Building, North Campus Science Complex



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**Arizona Board of Regents
Northern Arizona University
Capital Development Plan Project Justification Report
Multi-Purpose Events Facility
(NAU Project Number: #09.300.112)**

1. Previous Board Action:

| | |
|---|----------------|
| Capital Improvement Plan | September 2010 |
| Amended FY2011 Capital Development Plan | December 2010 |
| FY2012 Capital Development Plan | June 2011 |
| Amended FY2012 Capital Development Plan | November 2011 |

2. Statutory / Policy Requirements:

- Pursuant to Arizona Board of Regents Policy Chapter 7-102, all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology projects shall be brought to the Business and Finance Committee for approval regardless of funding source or financing.

3. Project Justification / Strategic Implication for Mission, Strategic Plan, Master Plan and Community Input Process:

- This project is consistent with the approved Master Plan which promotes quality student activity environments that facilitate student integration into the social community of campus. As part of the student access, progress and affordability goals of the Arizona Higher Education Enterprise Plan, the University Strategic Plan identifies student recruitment and retention as a critical strategy for ongoing development at NAU. Student retention and recruitment are inherently linked with the quality of facilities, both academic and recreational.
- The site is adjacent the area identified in the approved Master Plan as the civic center of campus. This civic edge includes the Cline Library, Ardrey Auditorium and the new Native American Cultural Center. The Master Plan identifies this civic area as a significant campus and community activity zone.
- One of the master plan guiding principles identifies improved quality and functionality of campus facilities. This project directly addresses this goal through major renovation of an existing facility that has been relatively untouched for 45 years. The project includes upgrades to several systems to accommodate the functional transition of the Fieldhouse into a multi-purpose events facility that will engage students, the community and region.

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- The adaptive re-use of existing space will provide quality academic, social and cultural experiences on campus by providing a venue for speakers, athletic events and a variety of other student and university activities. To provide greater exposure to non-campus pedestrian traffic and define a prominent image for the transitioned Fieldhouse building, a new arena entry is proposed at the west elevation. This entry will complement future green space identified in the approved master plan to enliven and transform the center of campus.

4. Project Description/Scope/Compliance with Space Standards:

- This project is a major renovation of approximately 94,000 square feet of the Fieldhouse, which was constructed in 1965. The renovation project includes space reconfiguration and interior renovation, structural repairs, and a new west entrance. The interior renovation includes new acoustics, new lighting, new flooring and new seating. Additionally the project will address ADA, fire life safety and other code upgrades, as well as chilled water connections to the existing infrastructure.
- Egress and ADA code improvements include upgrades to the elevator and north stairway. Also, ADA and general code compliance requirements will be addressed in improved restroom facilities and occupancy levels. Fire safety improvements include fire suppression, alarms and voice evacuation system, as well as removal of existing combustible construction materials.
- Several systems will need to be installed to accommodate the complex functionality of an arena. A new concrete floor will replace the existing asphalt and rubber floor which cannot support event traffic and bleacher systems. The lighting system will include egress/dimming capabilities and will be packaged with a public address system for event and emergency use. The arena floor is planned to be purposely flexible to facilitate university basketball games, university events, and other academic or auxiliary opportunities. It will be designed in accordance with university design standards and will be constructed of high quality, maintainable materials and building systems to maximize energy efficiency and minimize operational, repair and replacement costs.
- Significant infrastructure upgrades to the building are needed. These include strengthening the roof structure to support snow accumulation and interior equipment, replacing old utility systems, replacing exterior wall insulation, and hazardous materials abatement. The facility will be wired with an emergency generator.

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- Throughout the remaining portion of the first and second floor annex areas, the building improvements will include improved general office space. The main lobby will be renovated to provide a welcoming image to this new transitioned Multi-Purpose facility. The University plans to leverage the adjacent Dining Expansion to serve as the primary food and beverage resource to the arena, and as such, the improvements will include only a small concession area and ticket window.
- To support arena use by the men's and women's basketball programs, offices for the coaching staff and locker space will be added. The men's and women's basketball locker rooms and offices will be located along the east side of the arena. Space is also included for a unisex visiting team locker room and two official locker rooms.
- All applicable spaces within the Multi-Purpose Events Facility will comply with the ABOR space guidelines.

5. Project Delivery Method and Process:

- Selection of the Design Professional and Construction Manager at Risk (CMAR) was done through the CMAR process. The CMAR was selected through the capital project selection committee process prescribed by the ABOR Procurement Code. A licensed contractor from the community was included on the selection committee as required by ABOR policy
- This approach was selected because it can save time through fast-track project scheduling, it provides contractor design input and coordination throughout the project, it improves potentially adversarial project environments, and it allows for the selection of the most qualified contractor team for each individual project. With the use of two independent estimates, qualification selection and low bid subcontractor work for the actual construction, this method also provides a high level of cost and quality control.

6. Project Status and Schedule:

- This project is in the conceptual phase. Following was the schedule for selection of DP and CMAR services:

| | |
|----------------|------------------|
| DP Selection | January 4, 2011 |
| CMAR Selection | January 27, 2011 |
- NAU received 15 submittals from Design Professionals and 16 submittals from Construction Manager at Risk firms in response to the Request for Qualifications.

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- General construction is scheduled to begin when all approvals are in place. Construction will be completed approximately 18 months after CMAR construction contracts are awarded.

7. Project Cost:

- The Multi-Purpose Events Facility renovation project has an estimated total budget of \$28.5 million. Funding for the major renovation includes \$18.5 million in general university funds, \$5 million in student fees/auxiliary funds and \$5 million in gifts and investments.
- Comparable costs for this project cannot be determined at this conceptual stage of the project. When the project resumes design, comparable projects and costs will be provided in a future revised CDP. Costs will be determined based on preliminary estimates from a feasibility study, recent projects, third-party estimates, DP estimates and CMAR estimates.
- For this Capital Development Plan phase, preliminary construction cost estimates have been provided as part of the feasibility study for system replacements, arena improvements, west entry and existing building infrastructure improvements.
- The Construction Manager is at risk to provide the completed project within the agreed upon Guaranteed Maximum Price (GMP). A final report on project control procedures such as change orders and contingency use will be provided at project completion.

8. Fiscal Impact and Financing Plan:

- The project funding will be gifts, auxiliary funds / fees and university funds.
- This project consists of renovation of existing spaces; there is no net increase to Operation and Maintenance costs.
- Debt Ratio Impact: There is no impact.

9. Backfill Plan:

- A backfill plan is not applicable to this project.

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10. Alternative:

- There are few alternatives to this project. Continued use of the Fieldhouse requires renovation of aged systems that have exhausted their usable life, as well as replacement of a failing roof system. Adaptive re-use of this space allows the University to maximize existing space while major maintenance renovations are completed and overall building envelope aesthetics are improved.

11. Description of Other Related Projects including Infrastructure Improvements:

- There are no additional projects required to support this renovation project.

EXECUTIVE SUMMARYCapital Project Information Summary**University:** Northern Arizona University**Project Name:** Multi-Purpose Events Facility**Project Description and Location:**

The project is renovation of 94,000 square feet of the University Fieldhouse constructed in 1965 on north campus.

Project Schedule:

| | |
|--------------|--------------|
| Planning | Winter 2010 |
| Design | January 2011 |
| Construction | On Hold |
| Occupancy | On Hold |

Project Budget:

| | | |
|------------------------------|-------------|-----------------|
| Facility Useful Life | 50-75 years | (approximately) |
| Total Project Cost | \$ | 28,500,000 |
| Total Project Cost per sq ft | \$ | 303 |
| Direct Construction Cost | \$ | TBD |
| Construction Cost per sq ft | \$ | TBD |

Change in Annual**Operating/Maintenance Costs:**

| | | |
|--------------------------------|----|---|
| Utilities – New Square Footage | \$ | 0 |
| Personnel | \$ | 0 |
| All Other Operating | \$ | 0 |
| Subtotal | \$ | 0 |

Funding Sources:

Capital:

| | | |
|--------------------|----|------------|
| • Gifts | \$ | 5,000,000 |
| • University Funds | \$ | 18,500,000 |
| • Local Funds | \$ | 5,000,000 |
| Subtotal | \$ | 28,500,000 |

Operation/Maintenance:

- Funding Source: Auxiliary; there is no impact to Operating and Maintenance costs since no new space is added.

EXECUTIVE SUMMARYCapital Project Cost EstimateUniversity: Northern Arizona UniversityProject: Multi-Purpose Events Facility

| | <u>Capital Development Plan</u> | <u>Project Approval</u> |
|--|---|-----------------------------|
| Capital Costs | | |
| 1. Land Acquisition | \$ - | \$ - |
| 2. Construction Cost | | - |
| A. New Construction | 28,500,000 | |
| B. Renovation | | - |
| C. Fixed Equipment (Owner Furnished) | - | - |
| D. Site Development (excl. 2.E.) | - | - |
| E. Parking and Landscaping | - | - |
| F. Utilities Extensions | - | - |
| G. Other (Solar Panels) | - | - |
| G. Inflation and Market Adjustment <u>(0.0%)</u> | - | - |
| Subtotal Construction Cost | <u>\$ 28,500,000</u> | <u>\$ -</u> |
| 3. Fees | | |
| A. Construction Mgr <u>(%)</u> | \$ - | |
| B. Architect/Engineer <u>(%)</u> | - | |
| C. Other <u>(%)</u> | - | |
| Subtotal Consultant Fees | <u>\$ -</u> | <u>\$ -</u> |
| 4. FF&E Movable | \$ - | |
| 5. Contingency, Design Phase <u>(%)</u> | - | - |
| 6. Contingency, Construction Phase <u>(%)</u> | - | |
| 7. Parking Reserve | - | |
| 8. Telecommunications/Security Equip | | |
| Subtotal Items 4-8 | <u>\$ -</u> | <u>\$ -</u> |
| 9. Additional University Costs | | |
| A. Surveys, Tests, Inspections, etc. | \$ - | |
| B. Move-in Costs | - | |
| C. Printing Advertisement | - | |
| D. 3rd Party Estimate, Audit | - | |
| E. Project Management Cost <u>(3%)</u> | - | |
| F. State Risk Mgmt Insurance <u>(.0034%)</u> | - | |
| Subtotal Additional University Costs | <u>\$ -</u> | <u>\$ -</u> |
| TOTAL CAPITAL COST | <u><u>\$ 28,500,000</u></u> | <u><u>\$ -</u></u> |

