

FY 2009-10 Supplemental Capital Construction Request

Fort Lewis College New Student Union (202 Project)

Motion: Approve the supplemental request for additional cash funds spending authority (\$10,500,000 CF) for the New Student Union (202 Project).

GENERAL INFORMATION

2009-029

1. Which supplemental criterion does the request meet?

The college needs additional cash funds spending authority in order to complete the project as designed. The project is currently under construction and scheduled for completion in August 2011.

2. Which projects will be restricted to fund the supplemental request?

3. Has the request been approved by OSPB and CCHE?

PRIOR APPROPRIATION AND SUPPLEMENTAL REQUEST INFORMATION

The appropriation to be amended was authorized in the following bill: HB 08-1375

<u>Fund Source</u>	<u>Prior Appropriations</u>	<u>Supplemental Request</u>	<u>Future Requests</u>	<u>Total Cost</u>
CF	\$30,000,000	\$10,500,000	\$0	\$40,500,000
	\$30,000,000	\$10,500,000	\$0	\$40,500,000

REASON FOR SUPPLEMENTAL REQUEST

As originally submitted, the project replaced the existing College Union Building. However, during the design phase of the project, the college determined that renovating rather than replacing the student union offered the best value and better met its programmatic needs and sustainability goals. After consultation with capital staff at various agencies, the college decided to wait to request additional spending authority until the full project cost could be determined.

The additional project costs are attributable to an increase in the project scope and additional design work. Upon completion, the renovated student union will be 19 percent larger than originally planned. The college explains that it was necessary to redo much of the project design once it determined to renovate rather than replace the student union, which resulted in an increase in the project cost. Also, the college says the cost estimate included with the original program bid was low.

Source of cash funds. The source of cash funds for the project is gifts and bonds to be repaid from auxiliary revenue sources. Bonds were issued for the project totaling \$32.9 million, with an average annual payment of \$2.3 million. The auxiliary revenue sources used to repay the bonds include student fees, room and board, parking, and bookstore revenues.

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SUMMARY OF PROJECT

The project renovates 63,400 GSF and adds 42,788 GSF to the existing student union building and dining facility. The project will renovate and update the existing outdated and undersized College Union Building. It houses the school's dining hall, two cafes, student programming and government, and the bookstore. The college says the project will allow it to remain competitive with other institutions by offering improved facilities, which is part of the college's overall strategic plan to increase enrollment and retention. As a Senate Bill 92-202 project, no state funds will be used for the design, construction, operation, and maintenance of the facility.

QUESTIONS / OUTSTANDING ISSUES

None.