

September 15, 2016

ITEM 172-1502-R0916

Request for authorization to proceed to construction design phase and increase expenditure authority on the Living Learning Center facility – Montana Tech of the University of Montana

THAT

Consistent with the provisions of MCA 20-25-302, and Regents Policy 1003.7, the Board of Regents authorizes Montana Tech to expand the planning and design process of the previously approved Living Learning Center to the construction design phase, and to increase expenditure authority from \$500,000 to \$1,900,000 total, or \$1,400,000 additional. Auxiliary funds and private funds will fund this project. Allocation of costs will be made based on the design size allocated to each component of the Living Learning Center (LLC). As of today the allocation of requested expenditure authority is \$570,000 private funds, and \$1,330,000 auxiliary funds.

EXPLANATION

On May 19, 2011, the Montana Board of Regents granted Montana Tech authorization to plan a new residence hall (Item 151-1503-R0511). An update on the planning was provided via an informational item at the November 2011 BOR meeting, and in December of 2011 authorization was granted to proceed to Design Development (Item 153-1501-C1211). At the January 2016 BOR meeting, Item 170-1501-R0116 was approved, granting authorization to proceed with additional planning and design development of the proposed Living Learning Center. The previously granted expenditure authority is \$500,000. We have reached a point where we need to continue planning and design and production of construction documents. This additional work includes architectural design fees, civil engineering fees, specialty consultant fees such as kitchen/food service designers, geotechnical fees, soil borings and site analysis, and production of construction bid documents; for an additional expenditure authority request of \$1,400,000.

Montana Tech will return to the BOR to request authority for construction of the Living Learning Center based upon final design and cost projections. If at any point in the process it is determined that construction and bonding costs of the project exceed our ability to repay, Montana Tech will not proceed with the project and will not use the full authority requested in this board item.

The intent will be to reach construction design documents for possible competitive bidding in the spring of 2017. As mentioned above, financing of the project will be a combination of bonds paid for by housing fees charged to student residents and private monies for the Learning portion of the LLC. Tech is currently working with the University of Montana on bond financing and significant progress has been made in raising private support for the learning component.

ATTACHMENTS

Attachment #1 - Opinion of Probable Cost
