

MINUTES
JOINT MEETING
FINANCE AND CONSTRUCTION COMMITTEES

UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

July 13, 2000

The University of Southern Indiana Finance and Construction Committees met in joint session on Thursday, July 13, 2000, at 8:30 a.m. in Carter Hall of the University Center. Present were Trustees G. Patrick Hoehn, J. David Huber, Tina Kern, and James Will Sr. Also attending were Vice President for Business Affairs Richard Schmidt, Associate Vice President for Fiscal and Physical Affairs Robert Ruble, Associate Vice President for Business Administration Cynthia Brinker, Vice President for Student Affairs John Byrd, Assistant Vice President for Student Affairs and Registrar John Deem, Director of Facilities and Operations Planning Steve Helfrich, Assistant Director of Facilities Operations Miles Mann, Assistant Treasurer Michael Whipple, Student Government Association President Rick Hudson.

There being a quorum present, Ms. Kern called the meeting to order at 8:38 a.m.

(FINANCE COMMITTEE)

1. REPORT ON PLAN TO FINANCE STUDENT RESIDENCE BUILDING NO. 3 AND REFINANCE EXISTING HOUSING DEBT

Mr. Schmidt reported that he was given permission to issue an RFP to refinance the student residence building and the other existing debt. The University is waiting on information from the proposers to make an informed comparison. Topics being examined include fixed financing, variable financing, and a new multi-modal which combines both fixed and variable; variables are fixed for long periods of time.

2. REVIEW OF PROPOSED LEASE OF ELECTRICAL SUBSTATION AND PURCHASE OF ELECTRICAL FEED

The University has an opportunity to lease an electrical substation and purchase an electrical feed from Southern Indiana Gas and Electric Company. Dr. Ruble presented a report describing the costs and savings summarized in Attachment A.

On a motion by Mr. Will, seconded by Mr. Hoehn, the Committee recommended that the proposed lease of the Electrical Substation and purchase of the Electrical Feed be taken to the full board for approval. NOTE: Mr. Huber abstained from voting on this action.

3. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

On a motion by Mr. Hoehn, seconded by Mr. Will, the budget appropriations, adjustments, and transfers in Attachment B were approved.

(CONSTRUCTION COMMITTEE)

4. REVIEW OF CHANGE ORDERS FOR THE SCIENCE/EDUCATION CLASSROOM BUILDING PROJECT; WELLNESS, FITNESS, RECREATIONAL FACILITY PROJECT; AND THE LIBERAL ARTS CENTER PROJECT (Attachments C, D, and D2)

Steve Helfrich presented information on change orders in Attachments C, D, and D2.

On a motion by Mr. Huber, seconded by Mr. Hoehn, the change orders in Attachments C, D, and D2 were approved

5. REVIEW OF PROPOSED CONSTRUCTION CONTRACT PROCEDURE (Attachment E)

Mr. Schmidt gave an overview of the proposed construction contract procedure in Attachment E.

There being no further business, the meeting adjourned at 9:40 a.m.

SUMMARY OF LEASE OF ELECTRICAL SUBSTATION AND PURCHASE OF ELECTRICAL FEED

Lease of Electrical Substation

<u>Monthly Cost</u>	<u>Monthly Savings</u>	<u>First Year Annual Savings</u>	<u>Future Annual Savings*</u>
\$5,188	\$6,881	\$20,316	\$30,000

* Estimated annual savings following completion of Student Residence Building No. 3 and the Wellness, Fitness, Recreational Facility

Purchase of Electrical Feed

<u>Initial Cost</u>	\$112,438	<u>Gross Annual Utility Cost Reduction</u>	\$36,000	<u>Less Estimated Annual Interest Costs</u>	(\$15,000)	<u>Net Annual Budget Savings</u>	\$21,000
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BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

1. Additional Appropriation - Income

From:	Unappropriated Current Operating Funds		
To:	1-10170	USI Theatre Supplies and Expense	3,665
From:	Unappropriated Designated Funds		
To:	2-20100	Student Programs Services and Expenses	1,500
To:	2-20120	Multicultural Center Services and Expenses	181
To:	2-23300	School of Business Revolving Fund Services and Expenses	2,247
From:	Unappropriated Restricted Funds		
To:	4-46817	New Harmony Campaign Prep Services and Expenses	17,537
From:	Unappropriated Plant Funds		
To:	6-60101	Energy Management Controls Capital Outlay	112,438

2. Additional Appropriation - Reserve Funds

From:	Unappropriated Current Operating Funds		
To:	1-10200	School of Liberal Arts Capital Outlay	24,345

3. Transfer and Appropriation of Funds

From:	1-14020	International Student Services	
To:	2-20760	International Programming Personal Services	4,600
From:	2-20050	Student Services Operations	
To:	2-20100	Student Program Services and Expenses	1,500
From:	2-20050	Student Services Operations	
To:	1-14000	Student Affairs Supplies and Expense	869
From:	2-20050	Student Services Operations	
To:	1-14101	Intramurals Supplies and Expense	878
From:	2-23100	Faculty Development	
To:	1-10170	Honors Program Supplies and Expense	2,100
From:	2-24600	Employee Benefits Revolving Fund	
To:	3-36000	Fitness Center Capital Outlay	320

UNIVERSITY OF SOUTHERN INDIANA
SCIENCE CENTER LABORATORY RENOVATION PROJECT

SUMMARY OF CHANGE ORDERS
July 13, 2000

CHANGE ESTIMATE NUMBER	DESCRIPTION	CONTRACTOR(S)	PROPOSAL AMOUNT
17	Furnish and install labor and materials to modify exhaust ductwork on fourteen fume hoods to provide two stainless steel connections each.	Lichtenberger Construction Co.	\$14,337.00
18	Furnish and install stainless steel flashing on exhaust ducts for Exhaust Fans 1, 2 & 3	Lichtenberger Construction Co.	\$3,387.00
	TOTAL AMOUNT OF CHANGE:		\$17,724.00

UNIVERSITY OF SOUTHERN INDIANA
WELLNESS, FITNESS, RECREATIONAL FACILITY

SUMMARY OF CHANGE ORDERS
July 13, 2000

CHANGE ESTIMATE NUMBER	DESCRIPTION	CONTRACTOR(S)	PROPOSAL AMOUNT
1	Furnish eight Barco expansion joints and install in the high temperature high pressure heating water piping in the utility tunnel to accommodate expansion and contraction of piping and to minimize danger of leaks.	Lewis Industrial/ Mechanical Inc.	\$9,256.00
	TOTAL AMOUNT OF CHANGE:		\$9,256.00

**UNIVERSITY OF SOUTHERN INDIANA
 LIBERAL ARTS CENTER PROJECT
 SUMMARY OF CHANGE ORDERS**

July 13, 2000

CHANGE ESTIMATE NUMBER	DESCRIPTION	CONTRACTOR(S)	PROPOSAL AMOUNT
28	Credit unused Allowance to Owner	Abell Elevator Co.	(\$2,417.00)
29	Credit unused Allowance to Owner and various credits and additions to Project	Arc Construction Co.	(\$12,485.00)
30	Credit unused Allowance to Owner and credits for back charges and panel correction	Concrete Technology, Inc.	(\$18,424.00)
31	Credit unused Allowance to Owner, credit for deletions and additions for back charges	Danco Construction Co.	(\$10,057.00)
32	Credit unused Allowance to Owner, credit back charges and addition to Project	General Steel Fabricating Co.	(\$8,862.00)
33	Make changes in data system in Room 1005	Industrial Contractors, Inc.	\$4,623.00
34	Credit unused Allowance to Owner	Midwest Roofing & Sheet Metal	(\$854.00)
35	Add smoke detector at wheel chair lift and correct payment amount for previous work	Mounts Electric Co.	\$4,212.00
36	Credit unused Allowance to Owner	Sprinkler Systems, Inc.	(\$5,000.00)
37	Remove sprinkler head at wheel chair lift	Sprinkler Systems, Inc.	\$400.00
38	Credit unused Allowance to Owner and delete work at wood bench	U.S. Industries Group, Inc.	(\$6,252.00)
	TOTAL AMOUNT OF CHANGE:		(\$55,116.00)

PUBLIC WORKS CONTRACTUAL PROCEDURES

Responsible Party
(Note 1)

PROCUREMENT	Assembles specifications which list all details of the job and requests from the bidders certain documents, including bid bonds, form 96s, and financial statements. Makes the bidders aware that the successful bidder must meet all requirements of the specifications including obtaining and submitting a Performance Bond from an insurance carrier meeting the University's rating requirements.
PROCUREMENT	Verifies receipt of bid bonds, form 96s, and financial statements at bid opening.
FACILITIES	Forwards the architect's bid analysis to the Vice President for Business Affairs.
VP BUSINESS AFFAIRS	Reviews bid analysis with Board of Trustees Construction Committee for authority to proceed.
FACILITIES	Contacts university attorneys to initiate the preparation of a construction contract.
FACILITIES	Notifies the successful vendor that contract documents are being written and requests that a Performance Bond be issued to the University in the amount of the bid from an acceptable insurance provider.
FACILITIES	Forwards the Performance Bond to the Director of the Business Office.
BUSINESS OFFICE	Files the original Performance Bond for safekeeping and sends a copy to the Director of Procurement and Distribution Services. Also establishes escrow agreements with the vendor.
PROCUREMENT	Receives contract documents from university attorneys. Reviews these documents and confirms receipt of the Performance Bond and certificates of insurance before seeking signatures.
VP BUSINESS AFFAIRS	Signs contracts after the Director of Procurement confirms receipt of all required documents, including the Performance Bond.
PROCUREMENT	Obtains Builders Risk Insurance for the project and charges the cost back to the project.
FACILITIES	Notifies the Director of the Business Office when the project is complete.
BUSINESS OFFICE	Returns the Performance Bond to the vendor one year after completion.

Note 1:

PROCUREMENT means "Director of Procurement and Distribution Services".

FACILITIES means "Director of Facilities Operations and Planning".

BUSINESS OFFICE means "Director of the Business Office".