

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 13-05

COMMITTEE DATE: October 09, 2012

BOARD DATE: October 16, 2012

APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY STUDENT ACTIVITY PROJECT

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
HAMMOND CAMPUS CENTER PROJECT, FITCHBURG STATE UNIVERSITY

1. The Commissioner of the System of Public Higher Education (the "Commissioner") is authorized and directed in the name and on behalf of the Board of Higher Education (the "Board") to make a written request to the Massachusetts State College Building Authority (the "Authority") that the Authority initiate the project described in EXHIBIT A, attached hereto.
2. Bonds issued by the Authority to finance the projects for which a request is hereby authorized may be issued together with or separately from bonds issued to carry out other projects of the Authority for which the Board authorizes a request.
3. The Commissioner and all other officers of the Board, each acting singly, are authorized to request the Commissioner of Administration to approve in writing the initiation by the Authority of the projects for which a request is hereby authorized, and to do such other things and to take such other action as the officer so acting shall, as conclusively evidenced by the taking of such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.
4. The Board and the Commonwealth of Massachusetts, acting by and through the Board, declare their official intent under §1.150-2(d)(1) and (e) of the Treasury Regulations as follows:

The Board reasonably expects that there shall be reimbursed from the proceeds of bonds issued by the Authority, expenditures (including expenditures made within the last 60 days) temporarily advanced by the Commonwealth (including within such term the Board and the State Universities) for the projects for which a written request is hereby authorized, the maximum principal amount of such bonds expected to be issued, all or a portion of the proceeds of which are reasonably expected to be used for such reimbursement purposes, being \$12,400,000.

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Stephen Lenhardt, Deputy Commissioner of Administration and Finance
Fiscal and Administrative Policy

EXHIBIT A

MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

FITCHBURG STATE UNIVERSITY

HAMMOND CAMPUS CENTER

Description of Project

- (a) The carrying out of preliminary work, including obtaining cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide;
- (b) The renovation of the Hammond Campus Center as described herein including building systems and components, furniture, and equipment primarily for the use by students and staff of the University, and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
- (c) The carrying out of improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

Project Overview

- Project is the continuation of the renovations at the Hammond Campus Center building. This work will include areas on the Street, Ground and First levels in the Campus Center which have not yet been renovated. Street level renovations include bathroom upgrades and conversion of the former commuter lounge, FAB, club and student leadership offices into new meeting rooms and archives. Ground floor renovations include new archives mechanical room, game room, art gallery, alumni meeting rooms, and student academic life office suite, as well as fire protection in the Ellis White lecture hall. First level renovations include bathroom upgrades, new meeting rooms and updated event space/main lounge. Scope of work in all of these areas includes new finishes (floors, walls and ceilings), lighting, fire alarm, HVAC ductwork and controls, and fire protection.
- The University has provided \$500,000 as initial funding for pre-design exploratory work and the design phase. The project revenue source will be an increase in general student fees not to exceed \$275.

INDICATOR	PRIMARY RESERVE	VIABILITY	RETURN ON NET ASSETS	NET OPERATING REVENUES
Target	25.0%	>1.0	3.0% – 4.0%	2.0% - 4.0%
Fitchburg (FY11)	48.4%	1.4	19.7%	9.6%

Project Budget and Schedule

Budget

Total Project Cost	\$ 11,000,000
Project Fund Deposit	11,000,000
Cost of Issuance/Reserves	<u>(1,400,000)</u>
Total	\$12,400,000

Schedule

Design Started	August 2012
Construction Started	March 2013
Occupy Completed Facility	November 2013