



## ***APPROVAL TO INCREASE TOTAL PROJECT COST, NAME THE BUILDING AND CHANGE THE SOURCE OF PROJET RECEIPT AUTHORITY***

**Name of Project:** UAA Integrated Science Building  
**Location of Project:** Anchorage  
**Project Accounts:** 512002/564226/564250  
**Date of Request:** April 17, 2008

<p><b>Estimated Total Project Cost:</b> \$91,000,000 <b>Approval Required:</b> Full BOR</p>
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### ***INTRODUCTION***

In accordance with Regents Policy 05.12.047 approval levels required in the source of funds, increases in budget, or Material Changes in project scope identified subsequent to the Schematic Design Approval shall be determined by the University's chief finance officer based on the extent of the change and other relevant circumstances. This determination requires judgment, but will generally be based on the nature of the funding source, the amount, and the budgetary or equivalent scope impact relative to the approved Budget at Schematic Design Approval. Changes with an estimated impact in excess of \$1.0 million will require approval by the Board based on recommendations from the Facilities and Land Management Committee.

In accordance with Regents Policy 05.12.080 Official naming of all "significant" buildings, building subcomponents such as wings, additions, auditoriums, and libraries, streets, parks, recreational areas, plazas and similar facilities or sites will be approved by the board. These facilities, improvements and areas will generally be named to honor or memorialize specific individuals, groups, events, places, or objects of historic, geographic, cultural, or local significance, including the contributors of substantial financial or other support to the university.

## ***BODY OF THE APPROVAL***

### **1. Narrative Description**

The Integrated Science Building (ISB) has been under development since April 2001. UAA has developed a detailed program plan that itemizes space needs to support the science programs. The plan integrates multiple disciplines within the science curriculum for both undergraduate and graduate instruction. This facility will relieve a critical shortage of instructional lab space for core science classes on the University of Alaska Anchorage (UAA) campus. The current lack of instructional lab space has limited the ability of science programs, like chemistry and biology, to deliver core undergraduate curriculum needed for majors and high priority non-majors, such as nursing and engineering. The purpose of this new facility is to provide additional labs to meet the demands of growing enrollment. From the initiation of the project seven years ago to planning, and construction currently in progress, the project goals have remained consistent. The project goals include:

1. To integrate the sciences for a multidisciplinary approach
2. To create flexibility and functionality
3. To form a campus precinct for the sciences
4. To incorporate logical phasing and growth potential
5. To promote pedestrian and all-weather connectivity
6. To enhance interaction – faculty/faculty, faculty/student, student/student
7. To create a “home” for the integrated sciences
8. To maximize growth potential for the future campus
9. To enhance key program relationships on campus
10. Sensitive site development
11. Identity view potentials
12. Maximize sunshine exposure for appropriate program elements
13. Develop/extend the campus core
14. Create a sense of place/image

The project received initial funding via the 2002 GO Bond (\$8.4 million). The Board of Regents granted Formal Project Approval in December 2004 for Integrated Science Building Phase I at \$30M. Funding discussions for the project continued over several capital budget cycles. Capital request strategies focused on amassing total project funding to build a single Integrated Science Building, rather than a number of smaller building phases, to meet program goals and to maximize construction dollars. Additional funding was received via capital appropriation in FY06 (\$21.6 million) and more recently in FY07 (\$55 million, \$2 million receipt authority). The Project Schematic Design Approval was approved in June 2006, TPC \$87 million.

In FY06, the decision was made to deliver the project via the Construction Management at Risk (CM@Risk) delivery method, whereby a selected Construction Manager joined the project team during the schematic design phase to assist the University with project scheduling, cost estimating, and constructability reviews. The University engaged the construction services of the CM@R to clear the proposed site in the Fall of 2006 while the building design was being finalized. Once the design was in approximately 90% (Nov 2006) the University had the CM@R procure the steel for the building so that the steel could be fabricated, shipped and on site for erecting during the summer of 2007. Bringing the CM@R on to do the site prep and steel procurement while design and contract approval

were ongoing allowed the project an early start and saved the project a year's worth of inflation cost estimated to be approximately \$6M and approximately a year in schedule.

In the spring of 2007 The University worked to negotiate a guaranteed maximum price (GMP) with the CM@Risk firm to construct the project in an efficient and cost effective manner. The project design team is led by Zimmer Gunsel Frasca Partnership and the Construction Manager at Risk is Cornerstone Construction Company, Inc. In March of 2007 the CM@R proposed the GPM amount of \$72M which was over the funding allocated for construction. The designer and CM@R value engineered over \$3M of equipment and material costs and the University deferred approximately \$5.28M in work (Vivarium, Planetarium MEA, Auditorium MEA and AV equipment package) and administrative changes to be able to award the Construction project at \$63.6 M.

In September 2007, UAA received permission to use \$2M of approved state-appropriated ISB funding from the equipment and furnishing line item in the ISB project funding profile, to the build out of the Vivarium. UAA has attempted, unsuccessfully, to procure equipment by obtaining federal grants using the \$2M in receipt authority. UAA plans to use the \$2M of receipt authority in a different way. By changing the source of funding for this receipt authority to UAA unrestricted funds, UAA will finance previously deferred scope items including the Architectural, Mechanical and Electrical work for the Auditorium and Planetarium and AV equipment.

Construction changes including building out the vivarium have zeroed out the equipment budget line. Consequently, UAA has focused on obtaining private funding to equip the ISB. That effort has proved successful. On February 5, 2008, UAA received a private commitment that included \$4M for ISB equipment. This \$4M will eliminate the equipment shortfall and also fund the planetarium projector. To obtain this \$4M, the project TPC must be increased by \$4M to a new TPC of \$91M.

## **2. Proposed Cost and Funding Source(s)**

FY02 GO Bond Proceeds	\$ 8,400,000
FY06 Capital Appropriation	\$21,600,000
FY07 Capital Appropriation	\$55,000,000
FY07 Receipt Authority	\$ 2,000,000
FY 08 Donor Gift for Equipment and Projector	\$ 4,000,000

**Revised Total Project Cost** **\$91,000,000**

## **4. Estimated Total Project Cost**

<b>UNIVERSITY OF ALASKA</b>			
Project Name:		Integrated Science Building Revised March 2008	
MAU:		UAA	
Building:	ISB	Date:	March 25, 2008
Campus:	UAA	Prepared By:	Michael W. Smith
Project #:	0	Account No.:	512002/564226/564250
Total GSF Affected by Project:		120000	
<b>PROJECT BUDGET</b>			Original
<b>A. Professional Services</b>			
Consultant Basic Services			\$7,610,000
Consultant Extra Services			\$0
Site Survey			\$38,000
Soils Engineering			\$8,000
Testing			\$259,000
Plan Review / Permits			\$140,000
Other			
<i>Professional Services Subtotal</i>			<i>\$8,055,000</i>
<b>B. Construction</b>			
General Contractor			\$71,000,000
Other Contractors (Voice/Data Installation)			\$150,000
Construction Contingency			\$1,300,000
Planetarium Projector System			\$1,000,000
Other (Parking Garage)			\$3,500,000
<i>Construction Subtotal</i>			<i>\$76,950,000</i>
<i>Construction Cost per GSF</i>			<i>641.25</i>
<b>C. Equipment and Furnishings</b>			
Equipment			\$1,500,000
Furnishings			\$1,500,000
Make Ready/Move In			\$150,000
<i>Equipment and Furnishings Subtotal</i>			<i>\$3,150,000</i>
<b>D. Administrative Costs</b>			
Advance Planning			\$332,587
Misc. Expenses			\$12,413
Project Management			\$2,500,000
<i>Administrative Costs Subtotal</i>			<i>\$2,845,000</i>
<b>E. Total Project Cost</b>			<b>\$91,000,000</b>
Total Project Cost per GSF			758.33
<b>F. Total Appropriation(s)</b>			<b>\$91,000,000</b>

## 5. Schedule for Completion

Schematic Design	March 2006 – June 2006
Design Development	June 2006 – September 2006
Site Prep & Utility Tie-in	Summer 2006 – Fall 2006
Construction	Spring 2007 – Summer 2009
Building Occupancy	Fall 2009

## 6. Prior Approval Actions:

Formal Project Approval December 2004 TPC \$30M  
Schematic Project Approval June 2006 TPC \$87M

## 7. Supporting Documents (attached)

ISB Construction Progress Photos

The President Recommends that:

### **MOTION**

As Required by Regents' Policy 05.12.047 the Board of Regents approves a Total Project Budget for the Integrated Science Building Increase of \$4,000,000 from \$87,000,000 to \$91,000,000. This funding is required to accommodate equipment and to allow NTE \$1M for a projector and associated work for the planetarium not in the current scope of work. The \$4,000,000 funding comes from a private donor.

As Required by Regents' Policy Policy 05.12.047 the Board of Regents approves the fund source of \$2M in FY07 Receipt Authority be changed from Federal Grants to UAA unrestricted funds.