

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**JULY 12, 2004**

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**TAB DESCRIPTION**

**ACTION**

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**Idaho State University Rendezvous Center**

Motion to approve

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**A Capital Project Tracking Sheet**

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**B Project Budget Revision**

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**C Bid Package Cost Tracking**

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**D Board Questions and Responses**

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**ATTACHMENTS**

1. Project Description
  2. House Concurrent Resolution 030 (2003)
  3. Letter to ISU regarding ISBA Projects Development Agreement
  4. Operating Agreement between State of Idaho, Department of Administration and Idaho State University
  5. Rendezvous Project Debt Financing Capacity
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**JULY 12, 2004**

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**INSTITUTION/AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY**

**SUBJECT**

Idaho State University requests authorization for a final increase to the Rendezvous Project (See Attachment 1, for project description) budget from \$38,810,000 to \$43,510,000 (also see Capital Project Tracking Sheet at Tab A).

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.K.3.

**BACKGROUND**

The Board approved the construction of the 254,200 square foot Rendezvous Center in June 2003 with a budget of \$38,810,000.

“As directed by HCR 30 (Attachment 2), the Idaho State Building Authority (Authority), the State of Idaho and the University entered into the Development Agreement dated as of July 17, 2003 (the “Development Agreement”), which is attached hereto, to provide for the financing and development of the Rendezvous Project. The Development Agreement requires the Authority to consent to (i) material changes to the final Plans, (ii) any single change either affecting the cost of the project by more than \$50,000 or delaying the Substantial Completion Date by more than 30 days, or (iii) any cumulative changes either affecting the cost of the project by more than \$200,000 or delaying the Substantial Completion Date by more than 60 days. The Development Agreement does not provide that Legislative approval is needed in combination with Authority approval to change a project.

The Development Agreement also provides that the University must bear the expense of any additional project costs. This was an express decision at the time of approval by the Authority of the projects.” (see Attachment 3 - Opinion from Hawley Troxell Ennis & Hawley LLP).

**DISCUSSION**

In March 2004, the Division of Public Works (DPW) opened bids for 27 subcontractors to construct Phase III of the building. The total bids exceeded the budget by \$8.7 million. Phase III was re-bid after some value engineering redesign of the project and bid package modification to allow more bidders on portions of the project. DPW opened these bids on June 17, 2004. Although the bids were lower, they still exceed the approved budget by \$4.7 million.

**IMPACT**

In light of the process DPW employed to obtain bids that were within the original budget, there are two options to resolve the \$4.7 million overage. Either the

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**INSTITUTION/AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY - continued**

project must be redesigned to fit within the original budget or ISU must issue additional bonds under the University's General Revenue Bond System.

To redesign the project would potentially result in a six month to one year delay in the construction. There is no guarantee that a smaller scale project would ultimately cost less in light of additional architect fees and continuing inflation in building materials and financing.

The issuance of bonds to complete the project as currently bid would result in additional annual bond payments of approximately \$425,000. The University has the resources from the current revenue stream of Student Facility Fees and Student Housing Rent. No increase in fees or rents is anticipated to support these additional bonds. (Attachment 5).

**STAFF COMMENTS AND RECOMMENDATIONS**

A Table of Contents has been provided to assist in locating documents referenced in this Cover Sheet. All items in the main section of the agenda item are numbered consecutively; all items in the Attachment section are:

The Capital Project Tracking Sheet and Project Budget Revision sheet represent a summary of the financing for this project. A more expanded narrative description of the project can be found at Attachment 1.

Idaho State University provided a Bid Package Cost Tracking sheet, Tab C, which displays the total construction bids through Phase III, and the maximum amount to be spent on Phase IV. The amount shown on Line 70 is also shown on the Project Budget Revision sheet in the "Revised Budget" column (Line 11).

During the Special Board meeting of June 24, 2004, Board members asked several questions regarding this project: funding, process, etc. Board staff presented those questions to Idaho State University and the Division of Public Works, who provided their answers at Tab D, Page 2, immediately following this Cover Sheet.

Items not already referenced above include House Concurrent Resolution 030 (2003 session) – Attachment 3, which provided legislative authorization for higher education institutions to enter into an agreement with the Idaho State Building Authority to finance and develop or renovate facilities; a legal opinion from Hawley Troxell regarding whether or not Legislative approval is required to change the project budget for a bonded project (with Development Agreement between Idaho State Building Authority, the State of Idaho and Idaho State University) – Attachment 3; the Operating Agreement between the State of Idaho

**INSTITUTION/AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY – continued**

and Idaho State University; and a schedule titled Projected Debt Financing Capacity, which outlines the existing and proposed income and payments related to housing/student services bonds.

The first bids for Phase III, construction, were opened in March 2004, and totaled approximately \$8.7 million over the project budget. At that time the Construction Manager and Architect began a process to determine which bid packages might be reduced in an effort to reduce the overage. This included only those bids that exceeded the individual budgets; firms whose bids were below budget were not requested to reduce the bid amounts.

The expectation was this process would reduce the \$8.7 million project overage by approximately 50%. It should be noted that in many instances the bid packages had components removed prior to the second round of bids, but the second bids were higher than the original. There may be several reasons for this: increased projection in the cost of materials and labor in the Pocatello area, original low bidder had seen all other bids when they were opened, or the contractor had the opportunity to bid on other projects which might have a higher profit margin.

Idaho State University, as the client and eventual user of this facility, has stated this building, in size, scope and function, is the facility it needs. Institutional leadership has not agreed to suggestions regarding any change in size, scope or function of the facility for purposes of reducing the overall project budget (see Division of Public Works comments at Tab D). Accordingly, the efforts of the architect and construction manager have focused upon the substitution of materials and/or elimination of components.

While this strategy should have no immediate effect upon the facility, there could be longer-term implications, relating primarily to possible increased maintenance and/or repair costs. In effect, this is a “reduction in quality” approach to the project.

The University states that additional architect fees would be necessary if a building redesign were to occur. The Division of Public Works disagrees, noting that the architect is responsible for any redesign necessary if a project’s costs are above the estimate.

In light of the material presented, it is the opinion of Board staff that a combination of efforts has taken place in an attempt to mitigate the effects of higher-than-anticipated bid amounts. The facility user, Idaho State University, strongly believes the project needs to be preserved as originally conceived. Staff

**BUSINESS AFFAIRS & HUMAN RESOURCES**  
**JULY 12, 2004**

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**INSTITUTION/AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY – continued**

believes that Idaho State University has the bonding capacity, and ability to repay the bonds, for the new amount requested. Increasing the project budget appears to be the most reasonable approach to preserving the Rendezvous Project as originally intended.

**BOARD ACTION**

A motion to approve an increase in the project budget for the Rendezvous Center at Idaho State University from \$38,810,000 to \$43,510,000. The additional costs will be the responsibility of Idaho State University and are expected to be funded from the offering of additional bonds under the University's General Revenue Bond System.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_ No \_\_\_\_\_

**Office of the Idaho State Board of Education**  
**Capital Project Tracking Sheet**  
As of July 1, 2004

**History Narrative**

1 **Institution/Agency:** Idaho State University      **Project:** Rendezvous Multi-Use Project  
2 **Project Description:** Construct new building to house classroom, 302 student apartments and a student union annex.  
3 **Project Use:** Classrooms, student apartments, and student union facilities.  
4 **Project Size:** The project includes approximately 254,200 square feet of new space: 105,400 classroom, 107,800 housing, 41,000 student union.

	Sources of Funds				Use of Funds			
	PBF	ISBA	Other *	Total Sources	Planning	Use of Funds Const	Other	Total Uses
9 <b>History of Project:</b>								
10 <b>FY2001 Appropriation (2000 Legislature)</b>	\$	1,500,000		\$ 1,500,000	\$ 1,500,000			\$ 1,500,000
11 ISU received appropriations of \$1,500,000 for the Classroom portion of this project.								
12 <b>September, 2000</b>			\$ 250,000	\$ 250,000	\$ 250,000			\$ 250,000
13 Board approves \$250,000 for programming and schematic designs.								
14 <b>FY2002 Appropriation (2001 Legislature)</b>	\$	14,000,000		\$ 14,000,000	\$ 702,750	\$ 11,596,881	\$ 1,700,369	\$ 14,000,000
15 ISU received appropriation of \$14,064,000 to construct Classroom building.								
16 <b>September, 2001</b>			\$ 21,500,000	\$ 21,500,000		\$ 21,500,000		\$ 21,500,000
17 Board approves Housing project of \$15,000,000 and Student Union project of \$6,750,000, including the prior \$250,000 for designs.								
18 <b>June, 2003</b>			\$ 1,559,000	\$ 1,559,000		\$ 1,559,000		\$ 1,559,000
19 Board approves increase for Housing project of \$1,354,000 and Student Union project of \$205,000. Detail for project increases not listed.								
20 <b>September, 2003</b>			\$ 1,000	\$ 1,000		\$ 1,000		\$ 1,000
21 Authorized Bond Forfeiture Receipt								
22 <b>July, 2004</b>			\$ 4,700,000	\$ 4,700,000	\$ 82,475	\$ 4,035,664	\$ 581,861	\$ 4,700,000
23 Request to adjust budget to complete the project as currently bid.								
24								
25								
26								
27 <b>Total Project Costs</b>	\$ -	\$ 15,500,000	\$ 28,010,000	\$ 43,510,000	\$ 2,535,225	\$ 38,692,545	\$ 2,282,230	\$ 43,510,000

History of Funding:	[----- * Other Sources of Funds -----]						
	PBF	ISBA	Institutional Funds	Student Revenue	Other	Total Other	Total Funding
31 Sep-00		\$ 1,500,000		\$ 250,000		\$ 250,000	\$ 1,750,000
32 FY02 Approp.		14,000,000				-	14,000,000
33 Sep-01				21,500,000		21,500,000	21,500,000
34 Jun-03				1,559,000		1,559,000	1,559,000
35 Sep-03					1,000	1,000	1,000
36 Jul-04				4,700,000		4,700,000	4,700,000
37 <b>Total</b>	\$ -	\$ 15,500,000	\$ -	\$ 28,009,000	\$ 1,000	\$ 28,010,000	\$ 43,510,000

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**Idaho State University  
Rendezvous Multi-Use Project  
Project Budget Revision  
06/24/04**

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Budget Change</b>	<b>Paid To Date (On June Agenda)</b>	<b>Balance</b>
<b>1 Sources of Construction Funds</b>					
2 ISBA Bond Proceeds	12,177,000	12,177,000	-	(134,616)	12,042,384
3 State Deposits to ISBA Constr. Acct	3,323,000	3,323,000	-	(2,151,619)	1,171,381
4 Auth Bond Forfeiture Receipt	1,000	1,000	-		1,000
5 ISU Bond Proceeds	23,309,000	28,009,000	4,700,000	(994,101)	27,014,899
6 <b>Total Funds Available</b>	<b>\$ 38,810,000</b>	<b>\$ 43,510,000</b>	<b>\$ 4,700,000</b>	<b>\$ (3,280,336)</b>	<b>\$ 40,229,664</b>
7					
<b>8 Uses of Construction Funds</b>	<b>Budget</b>			<b>Paid To Date</b>	<b>Balance</b>
9 Design Fees and Costs	2,452,750	2,535,225	82,475	(1,994,691)	540,534
10 Construction Management	2,861,689	2,983,902	122,213	(338,660)	2,645,242
11 Construction Contracts	30,457,400	35,263,832	4,806,432	(697,724)	34,566,108
12 Construction Testing	100,000	150,000	50,000	(4,953)	145,047
13 Consultant Services			-		-
14 Special Equipment	950,000	-	(950,000)		-
15 Plan Check/Advertising	45,581	46,100	519	(671)	45,429
16 Site Survey/Investigation	60,300	66,800	6,500	(61,427)	5,373
17 Contingency Allowance	1,700,369	2,282,230	581,861	(299)	2,281,931
18 Builder's Risk	181,911	181,911	-	(181,911)	-
19 <b>Total</b>	<b>\$ 38,810,000</b>	<b>\$ 43,510,000</b>	<b>\$ 4,700,000</b>	<b>\$ (3,280,336)</b>	<b>\$ 40,229,664</b>

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**Idaho State University  
Rendezvous Multi-Use Project  
Bid Package Cost Tracking**

Bid #	Description	Contractor	CM estimate	Bid/Contract	Sub Totals
1	<b>Phase 1</b>				
2	1	Temporary Fencing	Monroe Fencing	\$24,379	
3	2	Tree Removal	JB Parsons	17,415	
4	3	Tunnel Re-Construction	Dig'em up	51,000	
5	4	Electrical Demolition	Warbonnet	2,300	
6					\$95,094
7	<b>Phase 2</b>				
8	5	Sitework	JB Parsons	998,000	
9	7	Underpinning	Keller Construction	74,000	
10					1,072,000
11	<b>Phase 2A</b>				
12	6	Anchor bolts and footing rebar	K&T Steel	182,225	
13					182,225
14	<b>Phase 3</b>				
15	8	Concrete Fdn. Class & Sub	489,490	474,900	
16	8A	Foundation Excavation & Backfill		661,250	
17	9	Concrete Slabs	433,020	722,500	
18	10	Concrete Housing	2,892,680	5,211,000	
19	11	Masonry	1,367,352	1,283,300	
20	12	Structural & Misc Steel	2,426,211	3,309,555	
21	13	Casework / Millwork	471,330	386,268	
22	14	Roofing	632,581	742,000	
23	14A	Foundation Waterproofing		86,254	
24	14B	Metal Coping Cap		14,362	
25	15	Insulation	106,104	168,000	
26	16	Coiling / Overhead / Gates	80,100	69,940	
27	17A	Aluminum systems / windows - Housing	1,781,313	950,000	
28	17B	Aluminum systems / windows - Classroom		1,705,210	
29	18	Doors / frames / hardware	750,510	623,387	
30	19	Folding Doors	37,750	37,750 Est	
31	20	Interior systems	2,881,481	3,622,000	
32	21	Spray fireproofing	141,577	782,118	
33	22	Flooring	700,769	655,000	
34	23	Ceramic and Quarry Tile	139,842	121,700	
35	24	Painting	485,741	495,000	
36	25	Computer Flooring	78,750	54,500	
37	26	Accessories / Specialties	194,952	192,000	
38	29	Skylight		32,735	
39	30	Elevators	226,000	185,077	
40	32	Fire Protection	434,201	538,500	
41	33	Plumbing	853,100	1,394,000	
42	34	Mechanical	4,249,360	3,710,000	
43	35	Test & Balance		76,790	
44	36	Controls		417,417	
45	37	Electrical	3,861,060	3,945,000	
46					32,667,513
47	<b>Phase 3A</b>				
48		Planetarium Scaffolding	20,000	20,000	
49					20,000
50	<b>Phase 4</b>				
51		Site Concrete - Paving and Walls			
52		Asphalt Paving / Curb & Gutter			
53		Landscaping and Irrigation			
54		Chain link fencing at dock			
55		Site Handrails & guardrails			
56		Acid Etching Concrete			
57	28	Planetarium seating			
58	31	Kitchen Equipment			
59		Telecom and Data			
60	27	Planetarium Dome			
61			Phase 4 Est	1,227,000	1,227,000
62					
63					
64				<u>35,263,832</u>	<u>35,263,832</u>

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**Idaho State University – Rendezvous Multi-Purpose Project**  
**SBOE Questions and ISU's Response**

**1. Why was the Board not briefed after the March bids came in over budget?**

After the March bid opening and review, the construction manager believed that enough changes could be made to bring the next bid within the construction budget. It is our understanding that the Director of DPW had discussed the overbid with Board staff. We assumed this was notification to the Board.

**2. Why did ISU request a substantial student fee increase (7.3%) when there was apparently a surplus of funds available from student fees?**

The 7.3% increase in student fees was an overall fee increase, with only 21% of this increase going to facilities, which was dedicated for an anticipated major renovation of Reed Gym. The additional capacity within the facility fee, prior to the FY2005 fee increase, was derived from our restructuring bonds to a single bond system (SBOE approved June, 2003). This refinancing derived savings from lower interest rates. As is typical in good financial management, these funds are set aside to deal with maintenance reserves and other facility needs. This allows us the flexibility to take advantage of opportunities and respond to unanticipated issues.

**3. How will these additional project costs and resulting payments be addressed by ISU? Will internal reallocations be necessary?**

The additional bond payments for the Rendezvous Building as well as the Idaho Falls property will be made from existing revenue derived from student facility fees and housing rents. No reallocation will be necessary. (See Attachment 4, Projected Debt Financing Capacity)

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DPW Project 01222  
Classroom/Multi-use Complex  
Idaho State University  
Pocatello, Idaho

**Idaho State University – Rendezvous Project**  
**Division of Public Works Reply to State Board of Education Questions**

**1. What was done in the area of value engineering after receipt of the March Bids?**

The Division of Public Works (DPW), Idaho State University (ISU), MHTN Architects, and Brennan Construction, the Construction Manager (CM) met immediately after the bids were opened and reviewed areas of the project where changes in materials, changes in design, reductions in area might be made with the goal of reducing cost without adversely affecting the overall project. This investigation continued over the next several weeks via e-mail and telephone exchanges as everyone came up with new ideas and/or information. At DPW/ISU's request MHTN Architects looked at the design using alternative materials for siding/veneer at the housing and the elimination of non-functional architectural features at the Classrooms. They also looked at the elimination of the sloped roofs at housing and structural, stairway and material revisions in the Student Union portion of the project. MHTN, working with the CM conveyed this information to DPW/ISU for consideration and evaluation. While numerous worthwhile ideas were developed in this manner, not all the ideas were acceptable. In addition, at the suggestion of the CM, several bid packages were revised to make it possible for smaller contractors to be able bid portions of the project thereby increasing the competition. Estimates of the probable savings were made for each suggestion. The team then reviewed all of the suggested changes along with the associated cost projections. For various reasons not all of the suggestions were deemed to be viable. More detailed information has been provided to State Board of Education staff.

**2. Were all contractors asked to reduce costs, including those that came in below budget?**

DPW did not ask contractors to reduce their bids. However, DPW does believe the CM contacted the low bidders and many of the other bidders for their opinions as to where changes in the project documents could result in project cost reductions.

**3. What response or help did we get from these contractors?**

Most of the contractors were very helpful. They provided suggestions for cost savings to the CM who relayed those suggestions to the team for evaluation. Not all of their ideas could be incorporated because of the programmatic and functional requirements necessary to obtain the building required by ISU.

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- 4. In preparation for the re-bid, what changes were made to the request for proposals (RFP), who decided on the changes, were contractors asked for suggestions?**

The contractors did provide suggestions, as stated above. Those suggestions were forwarded to the team for review and decision. Accepted changes were incorporated into the documents and new bids were solicited. Attachment "A" is a summary of the major revisions for Phase III re-bid.

- 5. What have we done to negotiate the cost with the contractors from the June bid?**

State law, *Idaho Code 67-5711C*, requires that DPW award construction contracts to the "...lowest responsible and responsive bidder after receipt of competitive sealed bidding ...." The bid process encourages bidders to offer their lowest and best price at the time of the bid opening. In light of the above we have not negotiated with the contractors.

DPW is concerned that additional re-bids will result in higher rather than lower prices. A couple of the re-bids in June resulted in an increase in the bid amount even though the bid package had been reduced in scope.

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DPW 01222  
Classroom/Multi-use Complex  
Idaho State University  
Pocatello, Idaho

**Exhibit A**

**Summary**  
**Major Revisions for Phase III Re-bid**

**Bid Package #8 – Concrete Foundation (Classroom & Student Union)**

- Reassign excavation and backfill to new bid package #8A
- Delete bentonite waterproofing
- Delete concrete shear walls in area 'C'. Replace shear walls with steel system
- Revise concrete specifications to allow greater production/per day.

**Bid Package #9 – Concrete slabs**

- Remove winter work requirement
- Revise 3000 SF placement per day limitation specified.
- Delete 'moiststop' vapor retarder @ all areas having exposed concrete or quarry tile flooring.
- Delete floor protection @ atrium.

**Bid Package #10 – Concrete (Housing)**

- Remove excavation, backfill and SOG sub-base from bid package and re-assign.
- Modify general cleanup requirement.
- Revise 3000 SF placement per day limitation specified.
- Adjust concrete material costs.

**Bid Package #11 – Masonry**

- Delete precast coping caps and replace with pre-finished metal coping.
- Delete 'tyvek' air infiltration barrier. Replace with #30 building felt.
- Use pre-finished metal flashing at all exposed flashing conditions.
- Specify clear plastic weeps in lieu of colored plastic weeps.
- Delete copper flashing @ concealed locations. Use rubber flashing in lieu thereof.
- Delete all interior masonry. Replace with painted gyp wallboard. Metal/plastic reveals may be used to create pattern on large surfaces.
- Delete requirement for galvanized lintels. Use primed steel lintels.
- Provide an option to the concealed masonry lintel system specified. i.e. more than one manufacture or an option for the contractor to engineer and build



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### **Bid Package #17 – Aluminum Systems and Glazing**

- Break into two bid packages [Housing (17A) and Classroom/Student Union (17B)] to encourage more participation from smaller, but qualified contractors.
- Review and revise, if possible, glass specification to provide for greater competition and ease of procurement.
- Delete painted aluminum finish and revise to clear anodized aluminum.
- Wherever allowed by code delete fire windows and replace with non-rated windows.
- Review and revise, if possible, snap cover extension @W9A windows.
- Review and revise details to remove redundant waterproofing/air infiltration systems and to delete requirement for CMP to be glazed into the window system. Use 30# felt in lieu of “Tyvek” type air infiltration barrier. Also simplify cap profile at these and similar details.
- Review documents to see if curtainwall is being required when storefront materials would work as well.
- Delete Composite Metal Panels (CMP) at soffits. Select alternate material, but not gypsum board.
- Delete doors A112B, A112C, A112D, A112E & A112F

### **Bid Package # 18 – Doors, Frames and Hardware**

- Revise wood door finish from field finish to pre-finished
- Change veneer specification from ‘AA’ to ‘A’
- Change door veneer from Maple to plain sliced Red Oak

### **Bid Package # 19 – Folding Doors**

- Delete operable walls between Multi-Purpose (A111) and Hallway (A112)

### **Bid Package #22 – Carpeting**

- Change specification to include other carpet manufactures/products.
- Revise carpet backing specification.

### **Bid Package #23 – Ceramic Tile**

- Revise ceramic tile specifications/details to allow all ceramic tile to be provide by a single manufacture
- Delete non-slip aggregate in quarry tile.
- Delete crack suppression membrane at slab on grade.
- At elevated slabs revise specification of crack suppression membrane to include the “Schluter Kerdi” system.
- Revise Quarry tile setting method scheduled to delete the epoxy motor bond coat.

### **Bid Package #26 – Accessories / Specialties**

- Revise dock leveler specification. Leveler to be manual not electrical.
- Revise toilet partition specification to baked enamel finish. (Delete stainless steel finish.)

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- Delete flagpole.
- Revise locker specification.

**Bid Package #30 – Elevators**

- At classroom revise drawings and specifications to include one (1) elevator from ground floor to mechanical penthouse. Design should include shaft and equipment room capacity to add a second elevator.
- At housing revise design to include two (2) holeless type elevators. One (1) elevator bid as an additive alternate.

**Bid Package #32 – Fire Protection**

- Revise piping specification @ Housing
- Revise sprinkler head specification.

**Bid Package #33 – Plumbing**

- Revise design and specifications to allow use of PVC drain.
- Revise roof drain specification to allow the use of plastic roof drains.

**Bid Package #34 – Mechanical**

- Modify specifications/design/quote for exhaust fans.
- Delete secondary pans on fan coil units.
- Clarify requirements for coordination drawings.

**Bid Package #37 – Electrical**

- Remove CCTV hardware and cabling from this bid phase. Rough-in, conduit, sleeves and pull cable to be included in this bid phase.
- Diebold system to be bid in bid phase 4. Rough-in, conduit, sleeves and pull cable to be included in this bid phase.
- Clarify intent of testing requirements.
- Delete site signage lighting.
- Delete electrical allowances.
- Revise equipment/fixture package specifications to obtain more competitive bidding.
- Revise requirements for battery back-up systems per discussions w/ ISU.

## **Rendezvous Project Description**

The Rendezvous is a multi-use building located in the heart of the Idaho State University campus. It is envisioned, that it will become the new core building to the campus, supporting student life with an improved interactive social environment. This interactive environment is developed through the integration of the three following functions; Classrooms, Housing units, and a Student service/food service facility. A building joining the functions of these facilities into one central interactive space should create an enriched environment for learning, living, and social interaction. The building will be open to students 24 hours a day with secured access at night for students only, allowing for a central study facility and open computer lab improving function and access for students. Each portion of the building is briefly described below.

### **Classroom Portion:**

This will serve as the central classroom building for the campus, housing 50 new classrooms. The design centers around medium sized classrooms that support the teaching style and student contact that the university strives to achieve. Classrooms will support all of the class sizes scheduled on campus, with rooms that contain Audio/visual teaching systems. Included is a state of the art planetarium that will seat 250 people. The university is currently pursuing a donor for the projection system. The facility will be used as a major classroom building from morning through the evening supporting night classes.

105,400 square feet

#### **Containing**

1	Large Lecture Center / Planetarium	250 occupants
6	Large Classrooms	93 occupants
2	Computer based classrooms	50 occupants
35	Medium Classrooms	46 occupants
6	Seminar Rooms	16 occupants
1	Open Computer Lab	120 occupants
1	Faculty Senate Office Suite	
1	Study Center with a variety of study environments	

### **Housing Portion:**

The housing facility brings housing back to the center of campus. It is designed as a suite style facility that follows the current trend in housing across the country. This style allows for a more apartment like configuration while still giving the opportunity for the social interaction and university experience that dorm life brings. Being associated with the classroom and student services functions allows for a broader base of support facilities for studying and social interaction than would generally be available to students.

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107,800 square feet

Containing

Suite style dormitory units for 302 students of the following configuration:

- 68 4-bedroom units
- 8 3-bedroom units
- 3 2-bedroom units
- 14 Study and convenience
- 1 Manager's apartment
- 1 Office Suite

Associated Storage and maintenance space

**Student Services Portion:**

The student services portion of the facility supports the food service for the housing facility as well as providing a new central campus retail food service establishment. This will not only serve to support the functions of this building but will also serve the food service needs of the upper campus population. This portion of the building will serve as the central interactive hub of the building supporting the social aspect of the program. It will seat in excess of 520 people at meal time as well as contain meeting rooms for private parties.

41,000 square feet

Containing:

Retail / Board – food service facility

- Preparation Kitchen and Storage
- Seating for more than 520 patrons

3 Meeting Rooms with operable walls

Spirit Shop – Bookstore annex

Main Office

Loading docks, maintenance & storage

**BUSINESS AFFAIRS & HUMAN RESOURCES**

**JULY 12, 2004**

|||| LEGISLATURE OF THE STATE OF IDAHO ||||  
Fifty-seventh Legislature First Regular Session - 2003

IN THE HOUSE OF REPRESENTATIVES  
HOUSE CONCURRENT RESOLUTION NO. 30  
BY STATE AFFAIRS COMMITTEE

1 A CONCURRENT RESOLUTION  
2 STATING FINDINGS OF THE LEGISLATURE AND PROVIDING APPROVAL FOR CERTAIN STATE  
3 BODIES AND COMMUNITY COLLEGE DISTRICTS TO ENTER INTO AGREEMENTS WITH THE  
4 IDAHO STATE BUILDING AUTHORITY TO FINANCE AND DEVELOP OR RENOVATE  
SPECI-  
5 FIED FACILITIES LOCATED THROUGHOUT IDAHO.  
6 Be It Resolved by the Legislature of the State of Idaho:  
7 WHEREAS, the Legislature of the State of Idaho has previously authorized  
8 some level of funding for eight facilities projects located throughout Idaho;  
9 and  
10 WHEREAS, it was necessary to rescind the funding for these projects due to  
11 the shortfall in General Fund revenues; and  
12 WHEREAS, the Legislature recognizes the significant immediate economic  
13 stimulus that would be provided by proceeding with construction on these proj-  
14 ects; and  
15 WHEREAS, the amounts of appropriated and available funds are not suffi-  
16 cient to cover all of the anticipated costs associated with these facilities  
17 in a timely manner; and  
18 WHEREAS, North Idaho College in Coeur d'Alene is currently providing  
19 health and nursing classes in old donated wooden buildings that will be  
20 replaced by a new Allied Health, Nursing and Life Sciences Building; and  
21 WHEREAS, the University of Idaho has been forced to close the classroom  
22 center on its Moscow campus that houses 40% of the university's classroom  
23 space and will renovate and convert it into a modern Teaching and Learning  
24 Center; and  
25 WHEREAS, Lewis-Clark State College in Lewiston currently uses a physical  
26 education center that was constructed in 1937 for 368 students and will con-  
27 struct a new physical education center with conference and meeting facilities;  
28 and  
29 WHEREAS, Boise State University now has 5,067 students enrolled at BSU  
30 Canyon County, with the center filled to capacity, and will construct a new  
31 academic building on the BSU West Campus in Nampa; and  
32 WHEREAS, the Idaho State Police now provides training programs for the  
33 Department of Correction and Department of Juvenile Corrections and will build  
34 a training facility to house those programs in Meridian; and  
35 WHEREAS, the College of Southern Idaho in Twin Falls requires classroom  
36 and performance space for speech, music, forensics and the performing arts and  
37 will build a Fine Arts Addition to house those programs; and  
38 WHEREAS, Idaho State University will meet its growing requirement in Poca-  
39 tello for additional classroom space, student services and student housing by  
40 using student fees to construct the student services and housing portions of a  
41 multiuse facility and funds authorized under this resolution to build a new  
42 classroom facility; and  
43 WHEREAS, Eastern Idaho Technical College wishes to help meet the need for  
44 trained health care professionals in the Idaho Falls area, and a new health

## BUSINESS AFFAIRS & HUMAN RESOURCES

JULY 12, 2004

care education building will be constructed in accordance with policies of the State Board of Education; and

WHEREAS, it is in the best interest of the state and its community college districts for the State Building Authority to finance and provide new facilities for the use of each of the described state bodies and community college districts;

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Fifty-seventh Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Legislature hereby authorizes and provides approval for the Department of Administration and each of the following state bodies and community college districts to enter into agreements with the Idaho State Building Authority, under such terms and conditions as may be reasonable and necessary, to provide for the financing and development of the following described facilities for their respective use:

STATE BODY/DISTRICT	FACILITY	LOCATION
North Idaho College	Allied Health, Nursing & Life Science Bldg.	Coeur d'Alene
University of Idaho	Teaching & Learning Center	Moscow
Lewis-Clark State College	Campus Activity Center	Lewiston
Boise State University	West Campus Academic Building	Nampa
Idaho State Police	Training Facility	Meridian
College of Southern Idaho	Fine Arts Addition	Twin Falls
Idaho State University	Classroom & Multiuse Facility	Pocatello
Eastern Idaho Technical College	Health Care Education Building	Idaho Falls

BE IT FURTHER RESOLVED that this resolution constitutes authorization to enter into agreements required by the provisions of Section 67-6410, Idaho Code, and with respect to facilities provided to the State Board of Education and Board of Regents of the University of Idaho this resolution constitutes the approval required by the provisions of Section 33-3805A, Idaho Code.

### STATEMENT OF PURPOSE

RS13246

This resolution will authorize and provides approval for the Department of Administration and the state bodies and community college districts listed in this resolution to enter into agreements with the Idaho State Building Authority to provide for the financing and development of the facilities described in this resolution.

The authorization in this concurrent resolution for projects for College of Southern Idaho and North Idaho College shall take effect upon the enactment of legislation that empowers community college districts to enter into agreements with the State Building Authority.

## **BUSINESS AFFAIRS & HUMAN RESOURCES**

**JULY 12, 2004**

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### **FISCAL IMPACT**

Each of the amounts listed below are the estimated project costs (not including financing costs) to be paid from the Idaho State Building Authority bonds.

Project  
Project Funds

LCSC classroom and campus activity center  
\$10,868,000

CSI fine arts addition  
\$5,402,000

UI teaching & learning center  
\$11,729,000

BSU west campus bldg  
\$8,655,000

ISU classroom bldg  
\$12,177,000

NIC nursing/life science bldg  
\$10,994,000

ISP training academy  
\$2,286,000

EITC health education bldg  
\$6,360,000

TOTAL  
\$68,471,000

Annual rent for the projects to be paid to the State Building Authority from dedicated funds appropriated annually from the Permanent Building Fund will be between \$5.25 and \$5.75 million per year for twenty years.

Facility occupancy costs may come from the General Fund appropriations. These costs are provided on a quarterly basis, beginning with the quarter in which the facility is first occupied. There is no fiscal impact to the General Fund in FY04 for occupancy costs. In subsequent years, occupancy costs for the college and university projects are estimated to be:

FY05 \$583,750      FY06 \$939,750      FY07 \$872,100

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NICHOLAS G. MILLER  
ADMITTED TO PRACTICE LAW IN IDAHO, NEW YORK, CALIFORNIA  
EMAIL: NGM@HTEH.COM  
DIRECT DIAL: (208) 388-4849

June 24, 2004

Richard L. Bowen, President  
Idaho State University  
Campus Box 8310  
Pocatello, ID 83209

Re: Legislative Approval of ISBA Project Changes Not Required

Dear President Bowen:

You asked us to analyze whether approval from the Idaho Legislature is needed to increase the project budget for Idaho State University's Rendezvous Project (the "Project"). After review of the Idaho State Building Authority Act (chapter 64 of Title 67, Idaho Code) and House Concurrent resolution No. 30 adopted in the First Regular Session of the Fifty-seventh Legislature ("HCR 30") we have concluded that legislative approval is not necessary to increase the project budget for the Rendezvous Project.

A. HCR 30

HCR 30 authorizes the Authority and certain state bodies, including Idaho State University, to enter into agreements to provide for the financing and development of a number of facilities including a "classroom and multiuse facility" to be located in Pocatello, Idaho. The increase in the project budget presently being considered by ISU does not change what was approved in HCR 30. The increased budget will be used to construct a "classroom and multiuse facility" in Pocatello with the same three components of housing, student services and classrooms as was originally intended for the Rendezvous Project. Thus, the plain language of HCR 30 does not provide that legislative approval is necessary for changes in Project costs.

B. Idaho State Building Authority Act

HCR 30 was adopted by the Legislature because Idaho Code Section 67-6410(a) requires that prior to the Idaho State Building Authority (the "Authority") undertaking to finance any facility, the Legislature must give approval "by concurrent resolution authorizing a state body or community college district to have the [A]uthority provide a specific facility." The intent of the Authority's legislation is that the Authority is established as an expert agency to which the

Legislature has delegated the tasks associated with providing facilities to units of State government once the Legislature has identified the specific facility. This is evidenced by the extensive enumerated powers contained in the Authority's legislation. These powers are found in Idaho Code 67-6409, a complete copy of which is attached. Significant excerpts are set forth below:

(f) make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions;

(g) acquire real or personal property, or any interest therein, on either a temporary or long-term basis in the name of the authority by gift, purchase, transfer, foreclosure, lease or otherwise including rights or easements; hold, sell, assign, lease, encumber, mortgage or otherwise dispose of any real or personal property, or any interest therein, or mortgage interest owned by it or under its control, custody or in its possession and release or relinquish any right, title, claim, lien, interest, easement or demand however acquired, including any equity or right of redemption in property foreclosed by it and to do any of the foregoing by public sale, with such public bidding as shall be required by the provisions of any other law;

(h) to lease or rent any lands, buildings, structures, facilities or equipment from private parties to effectuate the purposes of this act;

(i) to enter into agreements or other transactions with and accept grants and the cooperation of the United States or any agency thereof or of the state of Idaho or any agency or governmental subdivision thereof in furtherance of the purposes of this act, including but not limited to the development, maintenance, operation and financing of any facility and to do any and all things necessary in order to avail itself of such aid and cooperation;

(k) to employ architects, engineers, attorneys, accountants, building construction and financial experts and such other advisors, consultants and agents as may be necessary in its judgment and to fix their compensation;

(o) to the extent permitted under its contract with the holders of bonds, notes and other obligations of the authority to consent to any modification of any contract, lease or agreement of any kind to which the authority is a party;

(q) to make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter;

(r) to plan, carry out, acquire, lease and operate facilities and to provide for the construction, reconstruction, improvement, alteration or repair of any facility or part thereof;

(s) to sell, lease, rent or sublease to any state body or community college district, any facility or any space embraced in any facility constructed or leased under this act, to establish and revise the rents or charges therefor and to do any other acts necessary to the management and operation of its facilities;

(t) to do any act necessary or convenient to the exercise of the powers herein granted or reasonably implied therefrom. Emphasis added.

The Authority is also granted other powers. See e.g., Idaho Code 67-6423: 67-6423, which states:

Neither this act nor anything herein contained is or shall be construed as a restriction or limitation upon any powers which the authority might otherwise have under any laws of this state, and this act is cumulative to any such powers. This act does and shall be construed to provide a complete, additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws. However, the issuance of bonds, notes and other obligations and refunding bonds under the provisions of this act need not comply with the requirements of any other state law applicable to the issuance of bonds, notes and other obligations. Contracts for the construction and acquisition of any facilities undertaken pursuant to this act need not comply with the provisions of any other state law applicable to contracts for the construction and acquisition of property by the state or a community college district. No proceedings, notice or approval shall be required for the issuance of any bonds, notes and other obligations or any instrument as security therefor, except as is provided in this act. Emphasis added.

C. Interpretation of Project Cost Data in Concurrent resolutions

Neither the Authority's statute, nor any other statute, specifies what must be included in a concurrent resolution. In practice, the Authority has referred to the Fiscal Note portion of the concurrent resolution for guidance on when the Authority must seek additional legislative

authorization. Although there is case law to support the notion that a fiscal note is not a part of the legislation it accompanies, the practical view is that because the Legislature retains the right to determine whether to fund the lease on facilities constructed by the Authority in the budget for the state agency, the Authority is ill-advised to proceed with a project where the project costs have exceeded the amount identified in the fiscal note. However, Wayne Meuleman, the Executive Director of the Authority, has advised us that the Authority does not believe the above described policy applies in the case of the fiscal note to HCR 30 because the effect of a change to the Project will not result in a change to the dollar amount that the Legislature will fund from the Permanent Building Fund. As described below, the cost of any additional project costs are the responsibility of the University to fund from its own sources. Consequently, the Legislature does not have to increase its financial commitment.

**D. Development Agreement for the Project**

As directed by HCR 30, the Authority, the State of Idaho and the University entered into the Development Agreement dated as of July 17, 2003 (the "Development Agreement"), which is attached hereto, to provide for the financing and development of the Rendezvous Project. The Development Agreement requires the Authority consent to (i) material changes to the final Plans, (ii) any single change either affecting the cost of the project by more than \$50,000 or delaying the Substantial Completion Date by more than 30 days, or (iii) any cumulative changes either affecting the cost of the project by more than \$200,000 or delaying the Substantial Completion Date by more than 60 days. The Development Agreement does not provide that Legislative approval is needed in combination with Authority approval to change a project.

The Development Agreement also provides that the University must bear the expense of any additional project costs. This was an express decision at the time of approval by the Authority of the projects. In many instances the Authority insists on fixed price contracts and significant contingencies in construction contracts because the Authority recognizes it has no recourse back to the Legislature for additional funds and the typical state agency has no discretionary funds that it can employ to cover an increase in Project costs. However, with respect to the projects authorized by HCR 30, the Governor's office made it clear that the intention was that these projects proceed expeditiously in order that the stimulative effects of the expenditures begin circulating through the State's economy as rapidly as possible. Accordingly, the Authority did not invoke its typical procedures for project construction contracts, and instead relied upon the fact that the educational institutions have access to their own funds to cover any costs associated with changes to the project, and imposed that responsibility on the University pursuant to the Development Agreement.

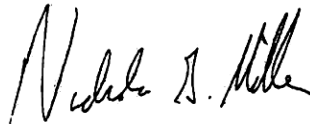
Richard L. Bowen  
June 24, 2004  
Page 5

E. Summary

The Project was authorized by HCR 30. However, neither HCR 30, the Authority Act, Authority policies, nor the Development Agreement for the Project require legislative approval to increase the Project budget.

Very truly yours,

HAWLEY TROXELL ENNIS & HAWLEY LLP

A handwritten signature in black ink, appearing to read "Nicholas G. Miller". The signature is fluid and cursive, with the first name "Nicholas" being the most prominent.

---

Nicholas G. Miller

NGM/b  
Enclosures

## **DEVELOPMENT AGREEMENT**

(Idaho State University Classroom and Portion of Residence Building)

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of the 17<sup>th</sup> day of July 2003, by and between the IDAHO STATE BUILDING AUTHORITY (the "Authority") and the STATE OF IDAHO (the "State"), acting by and through its Department of Administration ("IDOA"), and IDAHO STATE UNIVERSITY ("ISU").

### **RECITALS**

A. The Authority intends to acquire certain educational and academic facilities described on Exhibit B attached hereto (the "Facilities") to be constructed on the Idaho State University Campus located at Pocatello, Idaho.

B. Real property located within the ISU Campus shown as "Facilities" on the site map attached hereto as Exhibit A has been leased to the Authority under a Site Lease dated as of July 17, 2003, upon which the State shall cause the Facilities to be constructed for the Authority.

C. Concurrently with the construction of the Facilities, the State shall cause to be constructed certain student residence improvements ("Adjacent Improvements") adjacent to the Facilities on that real property shown on Exhibit C as "Adjacent Improvements". The Facilities and Adjacent Improvements shall be constructed as a single project under the CM Agreement, as defined below, and shall be collectively referred to herein as the "Project."

D. The Authority intends to issue its revenue bonds to provide funds which, together with other funds that may be provided by the State, shall be applied to payment of costs of planning, designing and constructing the Facilities.

E. The Adjacent Improvements will be constructed with funds other than the revenue bonds issued by the Authority.

F. The Authority and the State desire that the Authority control the funds for the construction of the Adjacent Improvements and keep such funds separate from the funds for the construction of the Facilities.

G. The State has entered into a construction management contract dated November 8, 2001 (the "CM Agreement") with a qualified and licensed construction manager, Brennan Construction Company, Inc. (the "CM") for professional services in the management of contracts for the construction of the Project and has entered into a professional services agreement dated December 20, 2000 (the "Architect Agreement") with a qualified and licensed architect, MHTN Architects, Inc. (the "Architect") to prepare plans and specifications (the "Plans") for the Project. Additionally, the State has entered into or intends to enter into additional contracts as may

be necessary and appropriate to cause the Project to be completed in accordance herewith. Herein, all such contracts are collectively referred to as the "State Contracts".

H. The State, acting through IDOA and ISU has agreed to lease the Facilities from the Authority pursuant to a lease agreement (the "Facilities Lease") dated as of July 17, 2003.

I. The Authority and State desire to set forth in this Agreement their respective responsibilities and agreements with respect to the Project and the planning, design and construction thereof.

NOW, THEREFORE, IT IS AGREED:

1. **Recitals:** The parties acknowledge the foregoing Recitals are true and are incorporated into this Development Agreement as if set forth in full.

2. **Authority of DPW to Act for State:** The Division of Public Works ("DPW") is authorized and empowered to act on behalf of the State in all respects pertaining to the planning, design and construction of the Project and as to all of the obligations of the State under this Agreement. IDOA and ISU hereby authorize DPW to act as their representative and agent and agree to be fully bound by all acts, authorizations, representations and decisions of DPW, except as otherwise expressly provided in this Agreement.

3. **Final Design and Approvals:** The State shall secure the completion of the final Plans for the Project, which shall include detailed plans and specifications suitable for bidding and award of construction contracts, and shall secure the written approval thereof, in a form acceptable to the Authority, by the Vice President of Financial Services of ISU, by the Permanent Building Fund Advisory Council, and by the Administrator of DPW. A complete set of the approved Plans shall be provided to the Authority.

4. **Design and Construction of Project:** The State agrees that it shall cause the design and construction of the Project to be substantially completed in every material respect as follows:

(a) The final Plans for the Project shall be subject to the written approval of ISU and shall not be materially changed without the written approval of ISU and the prior written consent of the Authority, which consent shall not be unreasonably withheld.

(b) The Project and every part thereof shall be constructed in a sound and workmanlike manner and shall be free from all material design or construction defects.

(c) The Project and every part thereof shall be constructed in accordance with the approved Plans, applicable building codes and all other applicable governmental regulations and requirements.

(d) The State shall have full responsibility to cause the design and

construction of the Project to be properly completed in all substantial respects in accordance with the objectives, requirements and needs of ISU for use of the Facilities as educational and academic facilities.

(e) DPW shall, at its expense, provide qualified personnel to perform necessary services in the administration of the State Contracts and in the inspection of work and services through the design and construction of the Facilities.

5. **Costs:**

(a) **Budget:** The State has approved a budget that it reasonably expect to include all costs and expenses for the construction of the Project, including a reasonable amount for contingencies, a copy of which is attached hereto as Exhibit A ("Budget"). The State hereby represents and warrants to the Authority that the Project, as designed, can be completed for the amount set forth in the Budget on or before the completion date set forth in Article 8 hereof.

(b) **Expenditures to Date:** As of the date of this Agreement, the State hereby represents, warrants and agrees that it has expended the amounts for the planning, design and construction of the Facilities in the amount of Seven Hundred Nineteen Thousand Eight Hundred Fifty Six Dollars (\$719,856.00) and for planning, design and construction of the Adjacent Improvements in the amount of Nine Hundred Ninety Four Thousand Eighty-Six Dollars (\$994,086.00), collectively the amount shown as "Paid to Date" in the Budget.

6. **Additional Available Funds:**

(a) The State represents and warrants to the Authority that additional funds totaling Two Million Six Hundred Three Thousand One Hundred Forty-Four Dollars (\$2,603,144.00) are currently available to the Authority from the State to pay costs of the Facilities (the "State's Additional Funds"). Prior to issuance of the Bonds, the State will transfer the State's Additional Funds to the Authority, and the Authority will deposit such funds into the construction fund created under the bond resolution for the Bonds (the "Construction Fund").

(b) ISU represents and warrants to the Authority that additional funds totaling Twenty Two Million Three Hundred Fourteen Thousand Nine Hundred Fourteen Dollars (\$22,314,914.00) are currently available to the Authority from ISU to pay costs of the Adjacent Facilities (the "ISU's Additional Funds"). Prior to issuance of the Bonds, ISU will transfer ISU's Additional Funds to the Authority, and the Authority will deposit such funds into the Construction Fund created under the bond resolution for the Bonds.

(c) The State's Additional Funds and ISU's Additional Funds shall be held and applied by the Authority, together with funds provided by the issuance of the Bonds, for application to pay the costs of the Project in accordance with this Agreement and in accordance with the bond resolution for the Bonds.

7. **Financing by Authority:** The Authority agrees to issue revenue bonds or  
DEVELOPMENT AGREEMENT - Page 3

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notes from which a total of Twelve Million One Hundred Seventy-Seven Thousand Dollars (\$12,177,000) shall be deposited into the Construction Fund to be applied, with the State's Additional Funds and ISU's Additional Funds to pay Costs of Acquisition and Construction as defined in the Facilities Lease and to pay the costs of construction of the Additional Improvements. The Construction Funds shall be separated into two (2) separate accounts on two separate ledgers within the Construction Fund; one account shall include the bond funds and the State's Additional Funds allocated to the Facilities (but not the Adjacent Improvements) ("Facilities Fund"), and one account shall include ISU's Additional Funds allocated for the costs of the Adjacent Improvements ("Adjacent Fund"). The Authority shall pay from its Construction Fund costs of the Project, not to exceed the total available funds in the Construction Fund, as follows:

(a) All costs incurred directly by the Authority in connection with the Cost of Acquisition and Construction as defined in the Facilities Lease shall be paid from Facilities Fund.

(b) All reasonable costs incurred by the State pertaining to the planning, design and construction of the Project, (allocated between the Facilities Fund and the Adjacent fund as provided in paragraph 9 below) as follows:

(i) the actual amounts owing by the State under the State Contracts, as and when due, less amounts previously paid thereunder by the State; and

(ii) the actual amounts owing by the State for any other purpose pertaining to the Facilities approved in advance by the Authority and not to exceed the amount approved in advance by the Authority.

The Authority agrees to provide to the State, upon request, periodic statements detailing expenditures from the Construction Fund.

8. **Guaranty of Completion and Cost:** The State has undertaken or will undertake the planning, management, control and direction of the design and construction of the Project and does hereby guaranty to the Authority that the Project shall be completed as required in this Agreement. State agrees to be responsible for all risks relating to the planning, design and construction of the Project, including but not limited to:

(a) The faults, failure or defaults of any employee, agent, representative, or contractor engaged by the State to perform any service or work pertaining to the Project;

(b) Cost overruns for any reason including, without limitation, any foreseen or unforeseen, anticipated or unanticipated conditions, delays, material shortages; actions of any persons or entity (other than the Authority); any State actions to control the progress of the work; any legal restrictions upon the State's ability to enter into or perform the State Contracts or other events which may entitle any contractor or other person or entity to additional funds; and

(c) Failure to substantially complete the construction of the Project to be available for occupancy not later than December 30, 2006, subject to reasonable extensions approved by the Authority, which approval shall not be unreasonably withheld.

9. **Payment Procedure:** The State shall submit to the Authority not more frequently than monthly a written application for payment based upon the work completed during the immediately preceding month. Each application for payment shall designate with particularity the work completed, equipment and materials stored at the site or other approved location and other appropriate work or services completed (the "Work") for each the Facilities and the Adjacent Improvements and the amount of the application to be disbursed from the Facilities Fund and the amount of the application to be disbursed from the Adjacent Fund. On or before the requested payment becomes payable by the State, but not less than 15 calendar days after receipt of the application, the Authority shall make payment on behalf of the State, the sum representing Work for the benefit of the Facilities and the sum representing the Work for the benefit of Adjacent Improvements. The amount payable by the Authority shall not exceed the sum actually owing by the State for which such application is made. The State shall monthly provide to the Authority an estimate of cash flow requirements allocated from the Facilities Fund and from the Adjacent Fund for the succeeding three (3) months and the Authority agrees to arrange the availability of funds to be paid hereunder accordingly, if possible, or to notify the State of its inability to do so.

Investment earnings received from investment of monies in the Adjacent Fund shall be deposited into the Adjacent Fund. Upon completion of the Project, and the payment in full of all amounts due under the State Contracts relating to the Adjacent Improvements, the Authority shall, or shall cause the trustee for the Bonds to, transfer to ISU any remaining funds in the Adjacent Fund.

10. **Construction Progress Certifications:** At any time upon request and regularly with any application for payment of sums owing under the State Contracts, the State shall furnish to the Authority certifications, in a form acceptable to the Authority, signed by the Architect, the CM and DPW. Such certifications be in accordance with the certificates required by and pursuant to the State Contracts, and subject to the rights and obligations of the Architect, the CM and DPW thereunder, shall state that the amount applied for fairly represents the value of work then performed and shall further state that:

(a) The work represented thereby has reached the stated percentage or degree of completion;

(b) That, to the best of the certifier's knowledge, information and belief, all work performed substantially complies with the applicable State Contract, the Plans and this Agreement, or that, if any work does not so substantially comply, the certification shall include a report specifying in reasonable detail all areas and aspects in which the work does not comply and such progress payment shall not be made for such non-conforming work, and

(c) That the unpaid balance of monies thereafter payable under the applicable State Contracts, together with unexpended funds available for change orders as provided herein, is

sufficient to complete the Project.

11. **Conditional Assignment of Contract Rights:** The State hereby assigns to the Authority all of its rights and interest in and to the State Contracts. This assignment is to secure the State's strict performance of the terms of this Agreement and shall be fully effective only upon the default of the State hereunder. The State, and not the Authority, shall remain solely responsible for performance of the State Contracts notwithstanding such assignment. Nothing hereunder shall obligate the Authority either now or in the future to assume or perform the State's obligations under the State Contracts.

12. **Conveyance of Facilities:** The State hereby sells, assigns, grants and conveys to the Authority all of the following:

(a) The interest of the State in and to the Plans and all drawings and design documents and materials of every kind or nature relating to the design of the Project; however, the State retains the right to use of the Plans, drawings, design documents and other materials to expand, alter, modify, repair or improve the Facilities during the term of the Facilities Lease;

(b) All work in progress, materials, equipment, supplies, and other personal property of every kind or nature, whether or not stored on the site of the Project, furnished under the State Contracts, or paid for with funds furnished by the State, or paid for with funds furnished by or through the Authority; and

(c) The Facilities and all rights and interests of the State thereto subject to the provisions of the Site Lease.

13. **Notice Upon Default by Contractors:** In the event of a material default by any contractor under the State Contracts and prior to the State taking action to (i) terminate such contract or suspend performance of the work, (ii) employ a separate contractor to perform portions of the work, or (iii) otherwise take action with respect to such defaulting contractor, the State shall provide the Authority written notice of its proposed or intended actions at least five (5) days prior to taking any such action and shall secure the Authority's written consent to such action, which consent shall not be unreasonably withheld by the Authority.

14. **Authority Consent for Changes Required:** Consent by the Authority shall be required for (a) any single change affecting the cost of the Project by more than Fifty Thousand Dollars (\$50,000), or cumulative changes having an aggregate cost of more than Two Hundred Thousand Dollars (\$200,000) and (b) to any single change delaying substantial completion of the Facilities by more than thirty (30) days or cumulative changes delaying substantial completion in the aggregate by more than sixty (60) days. The consent of the Authority may be withheld until, or conditioned upon, receipt by the Authority of necessary funds to complete the items in the change order. The State shall not approve or initiate changes so affecting costs or delays without the prior written consent of the Authority, which consent shall not be unreasonably withheld. The Authority

agrees to provide its consent hereunder within a reasonable time as determined by the circumstances giving rise to such changes and within sufficient time to permit the State to take appropriate action regarding such changes. In any instance in which changes occur which affect costs in excess of such amounts, the express written concurrence of ISU shall be obtained prior to requesting the Authority's consent to such changes. The Authority's consent to any such changes or delays shall not modify the obligation of the State to pay rent commencing July 1, 2004 as provided in the Facilities Lease.

15. **Access to Facilities and Information:** The Authority, its agents, employees and representatives, shall have reasonable access to the construction site of the Project, to all materials, equipment and/or supplies relating thereto, to all materials, documents and information held by the State or any project representative or any third party employed by, representing, or acting in any way as the agent of the State, and to all documents, materials, plans and other information held by the contractor or its agents, subcontractors, or suppliers that is legally or in fact available to the State.

Upon completion of the Project, the DPW shall maintain for the benefit of the Authority (i) one complete set of "as-built" Plans (drawings and specifications) of the Project, (ii) one complete set of operating manuals, and (iii) copies of all written warranties.

16. **Insurance:** In addition to the insurance required under the Facilities Lease, the State shall procure and maintain builder's all risk insurance insuring the Facilities against loss or damage from insurable perils, including flood and earthquake if available on reasonable terms. Such insurance shall be in the amount of the full replacement cost of the Facilities and shall include loss of use or loss of rents and soft costs with limits acceptable to the Authority. All such insurance shall include the Authority as an additional named insured and shall contain a loss payable clause covering the interest of any trustee appointed by the Authority in connection with the issuance of bonds. Prior to commencing construction of the Facilities, the State shall provide to the Authority and its trustee a certificate of insurance, in a form acceptable to the Authority, evidencing such insurance.

17. **Indemnification:** The State shall indemnify, defend and hold the Authority harmless from any claim, liability, loss, or expenses of any nature relating to or arising out of this Agreement, the Facilities, or any work performed in connection therewith, the State Contracts or arising out of or relating to any act or omission of any employee, agent, representative, consultant or other person acting on behalf of the State. This indemnification shall run to the Authority, its officers, directors, employees, and representatives. This indemnification shall include all reasonable attorney's fees and other reasonable defense costs. In the event the State fails or refuses to indemnify or defend the Authority without reservation or condition as to any such claim against the Authority, the Authority may, if it so elects, defend itself with counsel it selects without limiting in any way the obligations of the State hereunder, and all costs incurred by the Authority in such instance, and any judgment or other claim rendered against the Authority or determined by the Authority to be due, shall be immediately due and payable from the State.

Nothing in this paragraph 17 shall be construed as the agreement of the State to indemnify the Authority from liability for damages arising out of director's and officer's liability, personal injury or damage to property caused exclusively by the malfeasance or negligence of the Authority.

18. **Non-Assignment by State:** The State shall not assign this Agreement. In the event the State delegates any of its obligations under this Agreement to any independent third party engaged by or employed by the State in connection with the Facilities, no such delegation shall reduce or in any way limit the State's obligations hereunder.

19. **Assumption of Rights of Authority:** The rights of the Authority hereunder run to the Authority, and its successors and assigns, and all rights of the Authority hereunder shall be assignable to and enforceable by any bondholder of the Authority, or any trustee representing the same to the same effect and in the same manner as enforceable by the Authority itself.

20. **Notice of Default:** In the event either party contends that a default or claimed default has occurred hereunder, such party shall prior to taking any legal action to enforce its rights hereunder, give written notice of such default or claimed default to the other, specifying with reasonable detail the nature of such defaults. The party allegedly in default shall have fifteen (15) days from the date such notice is given to cure such default. Provided, however, such notice shall not be required if the default itself or any delay in taking legal action for the period required for notice has the effect of limiting or terminating the rights of party not in default or if such default is such that it cannot be cured by the defaulting party, and in such instance, the non-defaulting party shall use reasonable efforts to give notice to the other as may be reasonable and practical in the circumstances, but may take immediate action itself to correct or cure the default and exercise all other rights hereunder. No obligation assumed by or imposed upon the State by this Development Agreement shall require the performance of any act by the State, including, but not limited to, the payment of any amounts due hereunder, except to the extent that funds may be available for such performance or payment from general State appropriations or other funds legally available therefor. This Development Agreement shall not be construed as obligating the Legislature of the State of Idaho to make future appropriations for the payment of any amounts due hereunder beyond the then current fiscal year of the State.

21. **Remedies on Default of State:** In the event of any default hereunder, the Authority shall have any or all of the following remedies:

(a) All remedies provided under the Facilities Lease;

(b) The right to recover all of its damages, including but not limited to compensation for loss of use of the Facilities and/or loss of rental income resulting from the State's failure to cause the completion of the Facilities as required by this Agreement;

(c) Upon written notice pursuant to paragraph 20 to the State of its default, the Authority shall succeed to all rights and remedies of the State under the State Contracts assigned hereunder to the Authority, but shall not thereby itself become liable under any of such contracts;

(d) If the State's default may be cured or mitigated by the payment of money or by completion of the work, the Authority may in its sole discretion, but shall not be obligated to, pay such sums as the Authority deems appropriate, or complete the work or such portion thereof as the Authority deems appropriate, and all sums incurred or paid by the Authority shall be immediately due and payable to the Authority by the State;

(e) Injunction, specific performance, equitable relief, and

(f) No remedy hereunder shall be exclusive, nor shall the Authority's decision to pursue one remedy constitute an election of remedies.

22. **Notice:** In the event notice is required hereunder, such notice shall be deemed given upon depositing the same in the United States mail by certified mail, return receipt requested, to the following persons at the following addresses:

Idaho State Building Authority  
Post Office Box 2802  
Boise, Idaho 83701  
Attention: Executive Director


Idaho Department of Administration  
Statehouse Mail  
Boise, Idaho 83720  
Attention: Director

23. **Authorized Representative:** The Executive Director of the Authority is authorized to act for the Authority regarding all matters contained in this Agreement. The Administrator for the DPW shall represent the State of Idaho as to all matters contained in this Agreement.

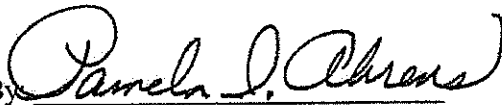
24. **Attorney Fees:** In the event either party to this Agreement is required to initiate or defend litigation with respect to the terms hereof or to enforce any of its rights hereunder, the prevailing party in such litigation shall be entitled to reasonable attorney's fees incurred in such litigation, including all discovery costs and costs of expert witnesses, together with all reasonable litigation expenses.

EXECUTED on the dates set forth below.


IDAHO STATE BUILDING AUTHORITY

By:   
Chairman  
Date: 7/17/03

STATE OF IDAHO  
DEPARTMENT OF ADMINISTRATION

By:   
Pamela I. Ahrens, Its Director  
Date: 7/15/03

IDAHO STATE UNIVERSITY

By:   
Its Richard L. Bowen, President  
Date: 7/11/03

## **EXHIBIT A**

### **Idaho State University Rendezvous Multi-Use Project**

#### **Sources of Construction Funds**

ISBA Bond Proceeds	12,177,000.00
State Deposits to ISBA Constr Acct	2,603,144 00
ISU Cash and Bond Proceeds	<u>22,314,914.00</u>
<b>Total Funds Available</b>	<b>\$37,095,058.00</b>

<b>Uses of Construction Funds</b>	<b>Budget</b>	<b>Paid To Date</b>	<b>Balance</b>
Design Fees and Costs	2,452,750.00	(1,556,799 00)	895,951.00
Construction Management	2,861,689 00	(121,029.00)	2,740,660 00
Construction Contracts	30,638,311.00		30,638,311.00
Construction Testing	100,000.00		100,000.00
Consultant Services			-
Special Equipment	950,000 00		950,000 00
Plan Check/Advertising	45,581.00	(426 00)	45,155.00
Site Survey/Investigation	60,300 00	(35,688.00)	24,612 00
Contingency Allowance	<u>1,700,369.00</u>		1,700,369.00
<b>Total</b>	<b>\$ 38,809,000.00</b>	<b>\$(1,713,942.00)</b>	<b>\$37,095,058.00</b>



**EXHIBIT B**  
**IDAHO STATE UNIVERSITY / CLASSROOM / MULTI-USE COMPLEX**

This classroom building is part of a multi-use complex that will include the classroom building along with a 25,000 square foot Student Union Annex, and housing for 300 students.

The classroom building will have limited student services and housing functions. The classroom building will contain classrooms of various sizes, seminar rooms, and lecture halls. Specialty areas will include computer labs and one large lecture classroom that is also being designed as a planetarium. No departmental offices will be located within the building.

Total Square Footage: 107,046

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**EXHIBIT C**

**[Site Plat for Facilities and Adjacent Improvement]**

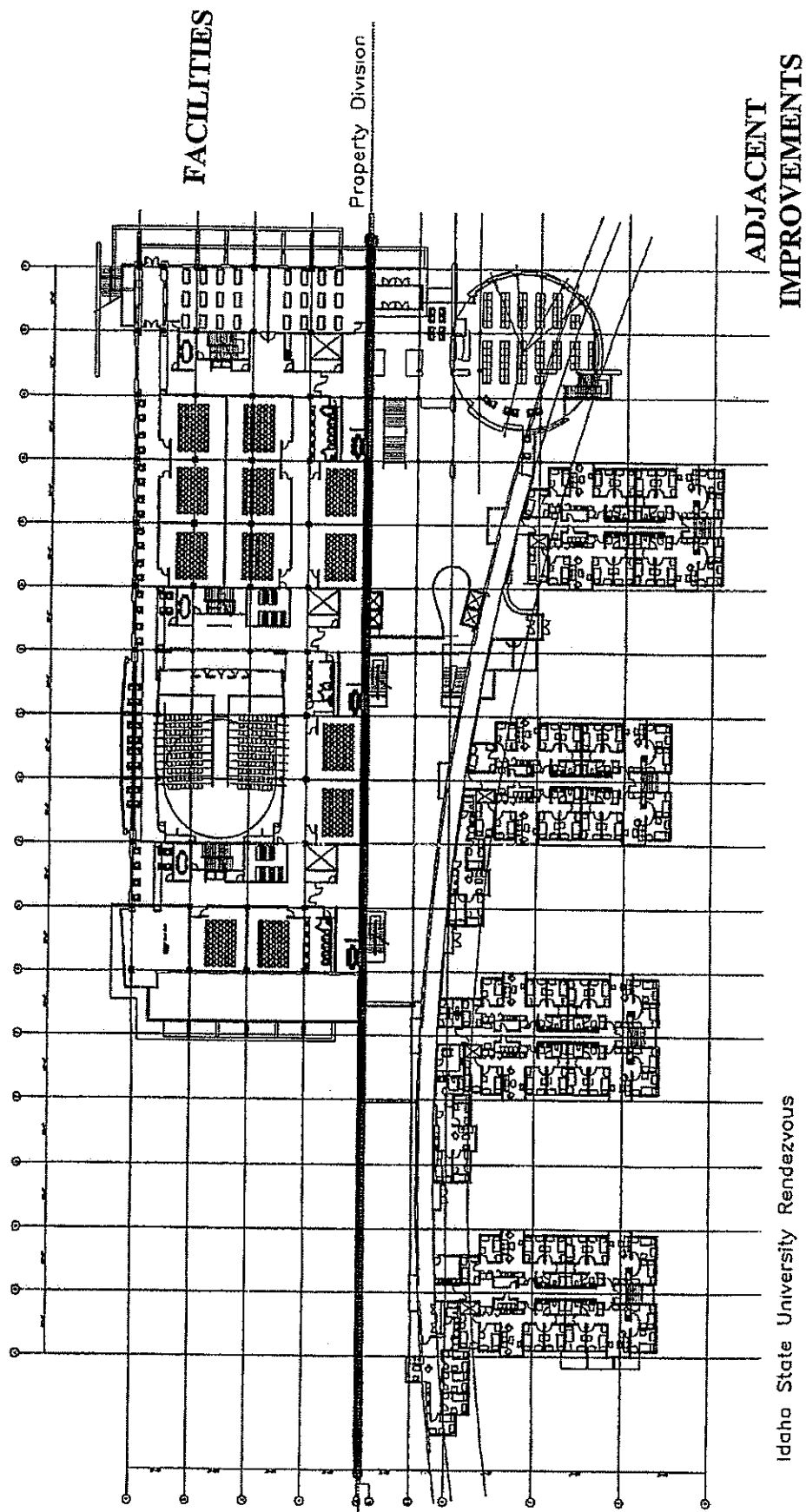


EXHIBIT C

Idaho State University Rendezvous

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## OPERATING AGREEMENT

THIS OPERATING AGREEMENT is made this 17th day of July, 2003, by and between the Department of Administration (the "Department") and Idaho State University ("ISU").

### RECITALS

WHEREAS, the Idaho Legislature, House Concurrent Resolution No. 30 ("HCR 30"), First Regular Session of the Fifty-seventh Legislature, has authorized the Idaho State Building Authority (the "ISBA") to provide financing to develop and construct certain classroom facilities for use by ISU comprising a portion of ISU's "Rendezvous Project" (the "Facilities");

WHEREAS, pursuant to HCR 30, the ISBA and ISU have entered into, or will enter into simultaneously with the execution of this Operating Agreement, a Site Lease involving the real property on which the Facilities will be constructed;

WHEREAS, pursuant to HCR 30, the Department and ISU have entered into, or will enter into simultaneously with the execution of this Operating Agreement, a Facilities Lease (the "Facilities Lease") and a Development Agreement (the "Development Agreement"), both with the ISBA and involving and for the Facilities;

WHEREAS, the Department and ISU desire to address between themselves certain issues related to the Facilities Lease and Development Agreement, upon the terms and conditions set forth below.

### AGREEMENT

NOW THEREFORE, in consideration of the above recitals, which are incorporated herein as if set forth in full, and the mutual promises and agreements hereinafter set forth, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Other Documents. This Operating Agreement is intended to co-exist with the Facilities Lease and the Development Agreement; provided however, in the case of any conflict between the terms of this Operating Agreement, as may be amended from time to time, and the Development Agreement and the Facilities Lease, as may be amended from time to time, the terms of this Operating Agreement shall control as between the Department and ISU.

2. Term. The term of this Operating Agreement shall begin on the date forth herein and continue until the expiration or termination of the Facilities Lease, including renewals, or the Development Agreement, whichever occurs later.

3. Allocation of Responsibility. Anything contained in the Facilities Lease and the Development Agreement notwithstanding, the parties agree as follows:

a. Upon and after occupancy of the Facilities, ISU shall make all decisions regarding the use and routine operation, repair and maintenance of the Facilities. ISU shall, at its cost and expense, comply with all applicable federal, state and municipal laws, ordinances, regulations and orders and any contractual obligations relative to such use, operation, repair and

maintenance of the Facilities. ISU shall consult with the Department on any issues concerning the use, operations and maintenance of the Facilities that could impact the Department or the Facilities Lease or the Development Agreement.

b. ISU shall not do or suffer or permit to exist any hazardous materials, contamination, waste, damage, disfigurement or injury to, or public or private nuisance, in or upon the Facilities in violation of any state of Idaho or federal law or regulation and shall pay all costs, charges, penalties or any other expense reasonably incurred or to be incurred to remove, restore or reclaim the Facilities or premises.

c. ISU shall be responsible for the cost and expense of all insurance required under the Facilities Lease and the Development Agreement, provided, however, that ISU may arrange for such insurance through the Department's Office of Insurance Management.

d. ISU shall, at its cost and expense, keep and maintain or cause to be kept and maintained, the Facilities and all equipment, fixtures, additions and improvements thereof, in good order and condition, and shall, at its cost and expense, make or cause to be made all necessary repairs, renewals, and replacements with respect to the Facilities.

e. In the event the Facilities or any part thereof are damaged or destroyed by uninsured or partially uninsured casualty of any kind, ISU shall either replace or rebuild the Facilities in equal value, or pay such sums to the ISBA as may be required to fully pay and discharge the Bonds (as defined in the Facilities Lease).

f. ISU shall pay or cause to be paid all costs, expenses and charges for water, electricity, lights, heat, power, sewage, telephone, and other utility services, rendered or supplied upon or in connection with the Facilities.

g. ISU shall maintain an inventory of all furniture, fixtures and equipment and other tangible personal property financed or provided by the ISBA as part of the Facilities and provide such inventory to the ISBA in accordance with Section 9.2 of the Facilities Lease. ISU shall have the right, at its expense, to replace such tangible personal property as it deems necessary in connection with its use of the Facilities, in accordance with Section 9.2 of the Facilities Lease.

h. ISU shall be responsible to pay for all cost overruns incurred in the planning, design and construction of the Facilities, including without limitation all cost overruns specified in Section 7 of the Development Agreement, provided, however, that ISU shall not be responsible for any cost overrun that is the result of the negligence or malfeasance of the Department.

i. Upon and subject to a specific and sufficient annual appropriation by the state of Idaho Legislature to the Department of funds from the Permanent Building Fund or other sources determined by the Legislature, the Department shall remit to the ISBA the payment of Annual Rent (as defined in the Facilities Lease) in accordance with the Facilities Lease.

j. The right contained in Section 3.2 of the Facilities Lease to give ten months' notice of termination of the Facilities Lease may be given jointly by the Department and ISU and not separately by either the Department or ISU.

4. Notice of Non-Appropriation Non-Renewal; Other Notices. In the event that the Department fails to receive an appropriation of moneys necessary for any payment of any Annual Rent under the Facilities Lease, it shall immediately notify ISU. The Department also agrees to give notice to ISU if it does not include in its budget request a request for moneys related to the Facilities Lease. In the event that either party receives any notice related to the Site Lease, the Facilities Lease or the Development Agreement that could impact the other, the receiving party shall immediately notify the other party of the receipt and substance of such notice.

5. Intentionally Blank.

6. Order of Use of Funds; Funds Remaining. ISU specifically acknowledges and agrees that it transfers to the ISBA for the project all funds previously provided by ISU, the Department or the Permanent Building Fund (the "State Funds"), and which are deposited by the ISBA into the Construction Fund (as defined in the Development Agreement), shall be deemed to be used first, before any bond proceeds or other funds, for any cost or expense of planning, design or development or construction. ISU further specifically acknowledges that any State Funds or bond proceeds remaining in the Construction Fund (as defined in the Development Agreement) upon final acceptance of the Facilities shall be used to defease the Bonds (as defined in the Facilities Lease) or otherwise decrease the amount of Annual Rent (as defined in the Facilities Lease) due under the Facilities Lease. ISU also agrees to transfer to ISBA for deposit into the Construction Fund, ISU funds obtained through the issuance by ISU of its student fee revenue bonds (the "ISU Funds"), and agrees that ISBA may disburse the ISU Funds to the Department's Division of Public Works ("DPW") for acquisition and construction of the student housing and student services components of ISU's Rendezvous Project (the "Housing and Student Services Facilities"). However, in accordance with the Development Agreement, the ISU Funds shall be deposited into a subaccount in the Construction Fund (the "ISU Subaccount") separate from the State Funds. The ISU Funds shall be disbursed to DPW in a manner that to the extent practical identifies them for payment of costs of the Housing and Student Services Facilities. The ISU Funds shall be invested separately and any excess remaining in the ISU Subaccount upon completion of the Housing and Student Services Facilities shall be returned to ISU by ISBA.

7. Indemnification. ISU shall indemnify, defend and save harmless the Department, its officers, agents and employees from and against any liability, claim, damages, losses, costs, expenses or actions to which the Department is or could be subject arising from or related to this Operating Agreement and its use, operation or maintenance of the Facilities.

8. Cooperation Between the Parties. Should any claims, demands, suits or other legal proceedings be made or instituted by any person against either party which arise out of any matters relating to the Facilities, the other party shall give all pertinent information and reasonable assistance in the defense or other disposition thereof.

9. Notices. All notices, demands, consents and reports provided for in this Operating Agreement shall be in writing and shall be given to the Department or ISU at the address set forth below or at such other address as they individually may specify thereafter in writing:

Department of Administration: Larry V. Osgood  
Administrator  
Division of Public Works  
P.O. Box 83720  
Boise, Idaho 83720-0072  
Ph: 208-332-1911  
Fax: 208-334-4031

With a Copy to: Department of Administration  
Attention: Deputy Attorney General  
650 West State Street  
P.O. Box 83720  
Boise, Idaho 83720-0003

Idaho State University Ken Prolo  
Vice President for Financial Services  
Campus Box 8219  
Pocatello, ID 83209-8219  
Ph: 208-282-2404  
Fax: 208-282-4725

Such notices or other communications may be mailed by United States registered or certified mail, return receipt requested postage prepaid or delivered by a recognized courier delivery service (e.g. Federal Express, Airborne etc.). Such notices, demands, consents and reports may also be delivered by hand. For purposes of this Operating Agreement, notices will be deemed to have been "given" upon personal delivery thereof or 72 hours after having been deposited in the United States mail at a United States Post Office or a depository for the receipt of mail regularly maintained by the post office or deposited with a recognized courier delivery service.

10. Survival. Any termination, cancellation or expiration of this Operating Agreement notwithstanding, provisions that are intended to survive and continue shall so survive and continue, including, but not limited to, the provisions of section 7.

11. No Third Party Rights. Nothing in this Operating Agreement shall be construed as creating or giving rise to any rights in any third parties or any persons other than the parties hereto.

12. Governing Law. The Contract shall be governed by and construed under the laws of the State of Idaho.

13. Officials Not Personally Liable. In no event shall any official, officer, employee or agent of the Department or ISU be liable or responsible for any representation, statement,



covenant, warranty or obligation contained in, or made in connection with, this Operating Agreement, express or implied.

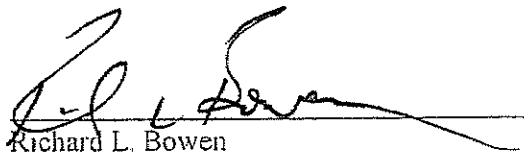
14. Complete Statement of Terms. This Operating Agreement constitutes the entire agreement between the parties hereto as regards its subject matter and shall supersede all previous proposals, oral or written, negotiations, representations, commitments, and all other communications between the parties.

15. Written Modification. This Operating Agreement may be modified or amended only by an agreement in writing signed by a duly authorized representative of the Department and ISU.

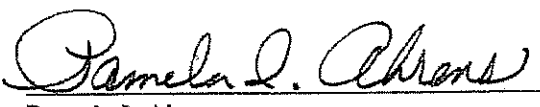
16. Counterparts. This Operating Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have entered this Operating Agreement as of the date first set forth herein.

IDAHO STATE UNIVERSITY

By   
Richard L. Bowen  
Its President

IDAHO DEPARTMENT OF ADMINISTRATION

By   
Pamela I. Ahrens  
Its: Director

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**Idaho State University  
Rendezvous Multi-Use Project  
Projected Debt Financing Capacity**

1	Total FY2005 Debt Service on Existing Bonds	\$3,548,772
2	Less Energy Portion Pd from Other Funds (Utility Savings)	-521,800
3		
4	Net Existing Debt Service for Student Housing/Services	<u>\$3,026,972</u>
5		
6	New Debt Idaho Falls (Estimate)	425,000
7	New Debt Rendezvous (Estimate)	<u>425,000</u>
8	Total Anticipated Debt Load	<u><u>\$3,876,972</u></u>
9		
10		
11	Fy 05 Estimated Facility Fee Income	\$3,885,390
12	FY05 Estimated Income from Housing Operations	<u>650,000</u>
13	Total Anticipated Revenue	<u><u>\$4,535,390</u></u>
14		
15	Surplus	<u><u>\$658,418</u></u>

**Line**

- 1 Total Bonds includes the original Rendezvous Bonds as well as bonds issued for Student Facilities and Housing
- 2 Annual bond payment for bonds issued to support the energy performance contract. Debt service is funded from guaranteed energy savings.
- 6 Estimated Debt Service for the purchase of property from the UI Foundation.
- 7 Estimated Debt Service required to increase the Rendezvous Budget
- 11 Revenues provided by Student Facility Fees (\$207 Per Sem)
- 12 Revenues provided by Student Housing Rents. Rent charged to students is structured to include the operating costs of the facilities as well as supporting the debt service to construct the facilities.
- 15 Funds available for student facility reserves and possible additional debt service

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