

**PUBLIC UNIVERSITY
NONINSTRUCTIONAL CAPITAL PROJECT APPROVAL**

Submitted for: Action.

Summary: This item recommends approval of the following public university noninstructional capital projects:

Eastern Illinois University
Textbook Rental Facility Construction \$ 4,379,984

Southern Illinois University Carbondale,
School of Medicine, Springfield
Parking Lot Construction \$ 460,000

Action Requested: That the Illinois Board of Higher Education approve the noninstructional capital projects described in this item.

STATE OF ILLINOIS
ILLINOIS BOARD OF HIGHER EDUCATION

**PUBLIC UNIVERSITY
NONINSTRUCTIONAL CAPITAL PROJECT APPROVAL**

The Eastern Illinois University Board of Trustees and Southern Illinois University Board of Trustees approved the noninstructional capital projects described in this item at their respective institutions and are now seeking Illinois Board of Higher Education approval in order to proceed.

<u>Institution/Project</u>	<u>Total Estimated Cost</u>
1) Eastern Illinois University:	
Textbook Rental Facility Construction	\$4,379,984
2) Southern Illinois University Carbondale, School of Medicine, Springfield:	
Parking Lot Construction	\$460,000

1) Eastern Illinois University: Textbook Rental Facility

Project Scope

Textbook Rental Facility Construction:

Eastern Illinois University plans to construct a new textbook rental facility. The current textbook rental space is on multiple floors, which makes storing and moving large quantities of books in and out each semester a difficult and cumbersome process. In addition, the current facility does not offer the square footage needed to adequately store the university textbook collection and is in need of repair, particularly since storage areas have been flooded by broken plumbing. The new 19,200 square foot facility will be constructed on university-owned property at 975 Edgar Drive. The new facility will support the university's academic programs by accommodating approximately 210,000 textbook volumes, providing students with a lobby/waiting area, and meeting basic administrative needs with a loading dock and staff offices. The completed facility will be located on the university's southeast side and will provide ample student parking. The new facility will also include eco-friendly aspects such as a stand-alone geothermal heating and cooling systems. The construction of the new facility will begin in the spring of 2009 with an expected completion date of December 2009, which will make the facility

available for the spring semester 2010. The old facility will be renovated for university use at some point in the future when funds become available.

Project Cost & Financing

The total cost of constructing a new textbook rental facility is approximately \$4,379,984. This includes \$2,847,234 for construction and contingencies, \$332,750 for architecture design services, approximately \$700,000 for material handling equipment, and approximately \$500,000 for furniture, desks, and shelving. The university issued \$4.23 million in revenue bonds at a weighted average rate of 5.4 percent for 25 years to finance the project. The debt service on the bonds will be paid using revenue generated by a Textbook Rental Service Fee increase of \$1 per credit hour, or \$15 per semester for full-time students. This fee increase, approved by the EIU Student Government and the Board of Trustees in April 2008, became effective in the fall of 2008. The fee is expected to generate \$320,000 per year, an amount sufficient to amortize the debt.

Chart 1
EIU Textbook Rental Service Fee
Fee per Credit Hour

Textbook Rental Service Fee

FY2008	\$8.95 per credit hour
<u>FY2009</u>	<u>\$9.95 per credit hour</u>
Increase	\$1.00 per credit hour

Project Schedule

The construction work on the new facility will be scheduled as a ten-month project beginning in March 2009 with a scheduled completion date of December 2009.

April 21, 2008	EIU Board of Trustees Fee Increase Approval
June 23, 2008	EIU Board of Trustees approve Architecture/Design contract \$332,750
August 2008	Textbook Rental Service Fee increased \$1 per credit hour
November 21, 2008	EIU Board of Trustees approve facility construction \$2,847,234
January 27, 2009	IBHE Project Consideration
March 2009	Begin Textbook Facility Construction
December 2009	Construction Completed, facility open for the spring of 2010

2) Southern Illinois University Carbondale, School of Medicine, Springfield: Parking Lot

Project Scope

Parking Lot Construction:

Southern Illinois University Carbondale, School of Medicine, Springfield Campus plans to construct an asphalt parking lot on four vacant sites located directly across the street and south of the SimmonsCooper Cancer Institute at the corner of North Rutledge Street and West Carpenter Street in Springfield. The recently completed Cancer Institute consolidated several clinical departments of the School of Medicine and there is an increased demand for employee

parking in a more centralized location. The proposed new parking lot will provide 104 convenient parking spaces for physician and staff use. The lots were originally purchased in 2004 and 2007 with the intent of using them for the Cancer Institute. After two separate purchases were approved by the SIU Board of Trustees in October 2004 and December 2005, the IBHE approved the lot purchases at their December 7, 2004, and February 7, 2006, meetings.

Project Cost & Financing

The total cost of constructing a new parking lot for the Cancer Institute is \$460,000, which includes \$31,000 for design and \$429,000 for construction. Funding for the project will come from non-appropriated funds available to the medical school. The annual overhead and maintenance costs for the parking lot are expected to total approximately \$15,000 and will be paid using revenues generated by the school's fee-based parking program. No increase in student fees will be required for the lot construction or annual operations and maintenance costs.

Project Schedule

On December 21, 2008, the Southern Illinois University Board of Trustees approved the design and construction of a new parking lot for the School of Medicine's SimmonsCooper Cancer Institute on the Springfield campus. Construction of the new parking lot is expected to begin in May 2009 and will be completed by July 2009.

Recommendation

Staff has reviewed these projects and found them to be in accordance with the Board's *Noninstructional Capital Project Guidelines*, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The project is consistent with the mission and scope of the institution; provides needed additional, replacement, or more efficiently utilized space; and is economically feasible, as required by administrative rules.

The staff recommends adoption of the following resolution:

The Illinois Board of Higher Education hereby approves the noninstructional capital projects included in this item.

