

**APPROVED**  
**JUNE 2, 2015**

Item #V-13  
June 2, 2015

**PUBLIC UNIVERSITY  
NON-INSTRUCTIONAL CAPITAL PROJECT APPROVAL**

**Submitted for:** Action.

**Summary:** This item recommends approval of the following public university non-instructional capital project:

Northeastern Illinois University  
New South Campus Central Utility Plant \$ 14,100,000-15,900,000

**Action Requested:** That the Illinois Board of Higher Education approve the non-instructional capital project described in this item.



STATE OF ILLINOIS  
ILLINOIS BOARD OF HIGHER EDUCATION

**PUBLIC UNIVERSITY  
NON-INSTRUCTIONAL CAPITAL PROJECT APPROVAL**

Northeastern Illinois University is seeking Illinois Board of Higher Education approval of the project presented in this item in order to proceed. This item provides details regarding the projects' scope, cost and funding source, campus input, and schedule.

<u>Institution/Project</u>	<u>Total Estimated Cost</u>
1.) Northeastern Illinois University: New South Campus Central Utility Plant	\$14,100,000-15,900,000

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1) Northeastern Illinois University

New South Campus Central Utility Plant

Project Background & Scope

This project consists of a new 12,100 GSF central utility plant located in and serving the southern part of the main campus at 5500 N. St. Louis Avenue in Chicago. The plant building will be located on land belonging to NEIU.

The new plant will consist of a chiller with cooling tower, standby natural gas powered electrical generators with hot water heating from the generators, and medium voltage electrical distribution. After initial construction, electrical power will be served to a new Education Building, and limited loads to the existing Physical Education Building and Childcare Center. The chiller and cooling tower and hot water from waste generator heat will serve the Education Building. The plant will immediately house mechanical and electrical equipment for near-term needs, but is being sized for additional chillers, generators, and electrical capacity for future buildings in the south section of the campus.

The building is required in order to provide utilities service to the new \$72 million Education Building project currently under development by the Capital Development Board (CDB). CDB recently approved the Design Development of that new building as conducted by SmithGroupJJR, and construction drawings are now in process. That building is scheduled for construction beginning in May, 2016, with completion in fall, 2017, so this utilities infrastructure project is scheduled to be and must be completed by September, 2016.

The project also involves installation of a second Com Ed electrical fee for the south section of the campus, connection of the south campus electrical to the north campus electrical, additional natural gas, sewer, and water feeds, plus needed landscaping and storm water runoff work related to the project.

The building has been designed to take full advantage of existing cost-effective energy technology. The cost-effectiveness of electrical cogeneration and geothermal heating and cooling were investigated during the planning process.

### Project Rationale

The north section of the campus is very well developed with buildings, and has little open space remaining for any future consideration. In addition to the Education Building currently being developed, the campus master plan calls for a new science building, a larger childcare center, and a multi-purpose facility with parking, all to be located in the south section of the campus.

The north section of the campus is served by two main Com Ed electrical feeds for redundancy, and has natural gas electrical cogeneration capability for further power redundancy (as well as energy savings when it is less expensive to generate power than to purchase it). The south section of the campus is served by only one Com Ed electrical feed, with no redundancy from a second feed and no cogeneration capability, thus making the south campus and the new Education Building vulnerable to power loss.

The north section of the campus is served by a central heating and cooling plant to provide high temperature hot water to heat, and chilled water to cool, respectively, the north buildings. There is no central heating and cooling plant for the south section of the campus, so all south buildings have standalone heating and cooling systems.

### Project Cost & Financing

This project is being funded from Income Fund utilities infrastructure reserves.

Phase I of this south campus utilities infrastructure planning cost \$269,000.

Phase II of this south campus utilities infrastructure planning has cost \$692,000.

The NEIU Board of Trustees has approved just over \$5 million for several of the construction subcontractors, and the general contractor and remaining subcontractor are projected to cost \$9.1 to \$10.9 million, leading to a total construction project cost ranging from \$14.1 to \$15.9 million.

Initial annual operating and maintenance expense for the new south campus central utility plan will include two additional HVAC plant engineers, and is projected to be about \$200,000 per year, to come from the University's general operations budget.

There will be no student fee impact, there have been no funds pledged or donated toward this project, and no debt is being financed for this project.

### Constituency Input/Decision-Making

The Board of Trustees has been kept informed about this project and has approved expenditures for this project at several critical junctures during the past two and a half years.

The Board of Trustees approved on February 21, 2013, a professional services contract for Primera Engineers to complete Phase I of the south campus utilities infrastructure project planning. That phase of the planning cost \$269,000.

The Board approved on November 14, 2013, a professional services contract for Primera Engineers to complete Phase II of the south campus utilities infrastructure project planning, and to serve as the construction engineers. That phase has cost \$692,000, with construction engineering oversight projected to cost an additional \$400,000.

The Board approved on April 9, 2015, several construction contracts: \$229,339 for Stern Corporation as the ventilation subcontractor, \$3,844,500 for Premier Mechanical as the heating subcontractor, and \$967,990 for Bruckner & Son as the plumbing subcontractor.

Due to failed submissions from contractors, the contracts for the general contractor and the electrical contractor had to be rebid. Pending approval by the Board at their scheduled meeting on June 18, 2015, are construction contracts for the general contractor, projected to cost \$4.5 to \$5.0 million, and the electrical contractor, with bids received in the range from \$4.6 to \$5.9 million.

Required permitting and government approvals will be obtained as required during the construction process.

### **Recommendation**

Staff has reviewed the project presented in this item and found it 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 project included in this item.*

