

APPROVED
June 14, 2023



Dave Kelm
General Counsel

Item #H-1
June 14, 2023

**CONSIDERATION AND APPROVAL OF NON-INSTRUCTIONAL CAPITAL
PROJECTS FOR FISCAL YEAR 2024**

Submitted for: Approval.

Summary: This item recommends approving the non-instructional capital projects for the following Public University projects:

Northern Illinois University:

Lorado Taft Campus - Replacement of Wastewater Treatment Plant
Oregon, Illinois

Action Requested: That the Illinois Board of Higher Education approve the project listed in this item.

STATE OF ILLINOIS
BOARD OF HIGHER EDUCATION

**CONSIDERATION AND APPROVAL OF NON-INSTRUCTIONAL CAPITAL
PROJECTS FOR FISCAL YEAR 2024**

The Board of Higher Education Act (110 ILCS 205/8) requires public universities to receive IBHE approval for capital improvements for non-instructional uses, such as dormitories, field houses, stadiums, recreational facilities, parking lots and the like, if the project is in excess of \$2 million. The projects are assessed for alignment with the Board's Non-Instructional Capital Project Guidelines, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The projects must be consistent with the mission and scope of the institution; provide needed additional, replacement, or more efficiently utilized space; and are economically feasible, and aligned with the strategic plan, as required by administrative rules.

Background and Scope

The University is seeking IBHE approval to proceed with a non-instructional capital improvement project to replace the existing wastewater treatment plant at the NIU Lorado Taft Field Campus. The Lorado Taft Field Campus, located near Oregon, IL along the Rock River, is a 140-acre site that offers space for conferences and hosts outdoor education programs for both adults and youth campers alike. Annually, over 6,000 elementary and middle school age students attend, and often stay overnight at, the campus to participate in programs. Among the numerous systems required to sufficiently operate the campus is the wastewater treatment plant, installed in 2007, which is in need of replacement to ensure continued reliable wastewater treatment for campus operations.

This project will include construction of a new wastewater treatment plant that will house a new Septic/Filtration system. The new plant will be located adjacent to the existing plant to allow for a smooth transition from the existing system to new. Once the new plant is completed, the existing plant will be decommissioned and demolished.

Estimated Project Schedule:

- IEPA Permit Modification: spring 2023 through winter 2023
- Design and IEPA Loan Application: spring 2023 through fall 2024
- Construction: fall 2024 through fall 2025

Project Rationale

The existing wastewater treatment plant at the Lorado Taft Campus has been experiencing accelerated deterioration and increased failure rates within the last several years. A condition assessment was completed in 2022 with the primary purpose of informing and guiding the University in planning for a long-term cost-efficient solution for this essential campus system.

The assessment concluded that the existing wastewater treatment plant and its components are well-beyond their intended design life and new treatment options should be explored. The existing system is a conventional activated sludge system that utilizes a biological process to treat wastewater. The campus wastewater flow is intermittent and transient ranging from 0 to 14,000 gallons per day. The transient nature of the flow has resulted in an unsuitable environment for the existing main treatment mechanism and therefore alternate options were evaluated to address these concerns. The condition assessment concluded that the most economical solution from a life-cycle perspective is to replace the existing plant with a Septic/Filtration system that filters wastewater. This is a more resilient system than existing and more suitable for the wide-ranging, transient wastewater flow. The proposed new system is expected to have a 60-year lifespan and is expected to reduce maintenance requirements.

Project Financing

The total anticipated estimated cost for the project is estimated to be \$3,500,000. This estimate will be further analyzed and refined during finalized design.

The University plans to apply for a low interest loan from the IEPA State Revolving Fund (SRF). This type of loan is typically repaid over a 20-year period. It is intended that the repayments will be made using Institutional funds.

No student fee will be added to fund this project.

Increases in operating costs are not anticipated but may occur temporarily when transitioning to the new plant. This may result in a slight temporary increase in the O&M budget for the plant. If required, other Institutional funds will be used to supplement the budget.

Constituency Input/Decision-making:

Due to the age and current state of the existing wastewater treatment plant, NIU engaged a qualified consultant to research and develop options for addressing the situation under the expected operating parameters for the satellite campus. Options were evaluated with the satellite campus operations staff, and a selection was made for the option that best meets wastewater flow demands for the Lorado Taft campus and provides a low cost for future maintenance.

The proposed action was presented to the Board of Trustees of Northern Illinois University Finance, Audit, Compliance, Facilities, and Operations Committee on November 10, 2022, and approved at the regular board meeting on December 8, 2022.

This project will involve modification to the existing IEPA operating permit for the plant which will be part of the process along with application for the IEPA State Revolving Fund (SRF) loan application that planned to help fund this project.

Staff Recommendation

Staff has reviewed the projects presented in this item and found them to be in accordance with the Board's Non-Instructional Capital Project Guidelines, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The projects are consistent with the

mission and scope of the institution; provide needed additional, replacement, or more efficiently utilized space; and are economically feasible, as required by administrative rules.

The Illinois Board of Higher Education hereby approves the Public University Non-Instructional Capital Project included in this item.