

Wyoming Community College Commission



WYOMING
COMMUNITY COLLEGES

**Commission Meeting Packet
September 21, 2018**

**WYOMING COMMUNITY COLLEGE COMMISSION
SPECIAL MEETING AND WORKSHOP AGENDA
SEPTEMBER 21, 2018
Casper College**

THE STATUTES OF WYOMING REQUIRE THAT ALL MEETINGS OF PUBLIC BODIES BE OPEN TO THE PUBLIC, EXCEPT IN SPECIFIC CIRCUMSTANCES, AND THE WYOMING COMMUNITY COLLEGE COMMISSION FULLY SUPPORTS THAT MANDATE

Dial-In phone number: 888-571-1315 PIN: 27468

ACTION AND REPORT AGENDA ITEMS FOR DISCUSSION (ACTION ITEMS IN BOLD)

8:30 a.m. **CALL TO ORDER**
ROLL CALL
INTRODUCTIONS
APPROVAL OF THE AGENDA

A. CONSENT AGENDA

[All items on the Consent Agenda will be considered together and incorporate the respective actions recommended for each item. A commissioner may have any item removed from the Consent Agenda and placed on the Regular Agenda.]

- No items for special meeting

B. ACTION AGENDA ITEM

a. Prioritized approvals:

- i. **NWCCD: Culinary Arts**
- ii. **CWC Agriculture**

TAB 1

TAB 2

- b. Inclusion of Annual Escalation Factor for prior approved
CapCon Projects

TAB 3

ADJOURNMENT

**September 21, 2018
Workshop**

9:15 a.m. **CALL TO ORDER**
CONVENE WORK SESSION

ADJOURN WORK SESSION no later than 4 pm.

TAB 1



Sheridan College
 1 Whitney Way
 Sheridan, WY 82801
 (307) 675-0505

Gillette College
 300 West Sinclair
 Gillette, WY 82718
 (307) 681-6000

**NWCCD
 Trustees:**

- Norleen Healy,
Chair
- Walter Wragge,
Vice Chair
- Bob Leibrich,
Treasurer
- Jerry Iekel,
Secretary
- Bruce Hoffman
- Gary Koltiska
- Debra Wendtland

**NWCCD
 Core Values:**

- Respect
- Integrity
- Excellence
- Learning

August 23, 2018

Dr. Sandra Caldwell
 Executive Director
 Wyoming Community College Commission
 2300 Capitol Avenue, 5th Floor, Suite B
 Cheyenne, WY 82002

Dear Dr. Caldwell:

Earlier this month, the Wyoming Community College Commission approved a capital construction request from the Northern Wyoming Community College District for the remodel and expansion of the Culinary Arts building at Sheridan College.

The original construction budget was \$3,206,250.00. Unfortunately, we made some errors in our submission, including neglecting to include the full amount for the acquisition and installation of fixed equipment, which is a significant part of this project. We have used a contractor to refine the entire budget; the updated construction budget is \$4,156,160.00, an increase of \$949,910.00. The scope of the project has not changed since the original approval. We are still requesting 50% State funding (\$2,078,080.00) and 50% private funding (\$2,078,080.00).

Dave Webb, from State Construction Management, plans to update the capital construction budget request submitted to this updated amount, and advised us to submit a letter to the WCCC.

It is our understanding that Wyoming Statute 21-18-202(d)(v)(C) requires additional approval by the WCCC if the increase in square footage or the increase in construction costs have increased the total cost of an approved project beyond a 10% cost threshold. On behalf of NWCCD, I respectfully ask the Commission's consideration of approving the request for increased cost authorization for the Culinary Arts building.

We sincerely apologize for our error and that we did not find this sooner. Thank you for your consideration of our request and please let me know if you have any questions.

Sincerely,

Paul R. Young, Ph.D.
 President

Cc: Larry Buchholz
 Dave Webb

Project: **SHERIDAN COLLEGE Culiinary Arts Renovation and Expansion**

A. Land & Fees									
2.	System Dev Fee/ Util Exten.	0	@	\$	-	=	\$	-	
									Subtotal Land \$ -
B. Construction									
1.	New building construction	6,800	sf@	\$	280.00				
2.	Remodel space	3,200	sf@	\$	225.00				
3.	Site and landscape		sf@						
11	Contingency	\$	-		5.0%				
									Subtotal Construction Costs \$ 3,477,000
C. Architect Engineer Fees & Expenses									
1.	remodel general	10.0%							
2.	new	8.0%					\$	278,160	
3.	FFE	8.0%					\$	26,000	
4.	Travel & Printing Exp								
									Subtotal A/E Fees & Expenses \$ 304,160
D. Phase 5 - Equipment & Furnishings									
1.	Furniture	10,000	sf @	\$	12.50		\$	125,000	
2.	IT Equipment(labs,class,offices)	10,000	sf @	\$	20.00		\$	200,000	
3.	Equipment	10,000	sf @	\$	50.00				
									Subtotal Equip. & Furnishings \$ 325,000
E. Miscellaneous Expenses									
1.	Soils Investigation/Survey						\$	5,000	
2.	Testing						\$	25,000	
4.	Owner's reviews and legal, finance						\$	5,000	
5.	Commissioning						\$	15,000	
									Subtotal Misc. Expenses \$ 50,000
									Subtotal Project Cost <u>\$ 4,156,160</u>
F.									
									TOTAL PROJECT COST \$ 4,156,160

Culinary Institute Expansion

6/25/2018

Description	Quantity	Unit	Price	Amount	
				Dollars	Cents
DEMOLITION (Page 2)				23,525	65
CONCRETE - Bids & Labor (Page 3)				78,415	84
METAL - Str Structural (Page 4)				17,180	78
METAL - Fabrication (Page 5)				2,403	36
CARPENTRY - Bids & labor (Page 6)				102,499	96
LUMBER (Page 7)				56,783	38
FINISH CARPENTRY - Bids & Labor (Page 8)				4,652	74
FINISH - Lumber (Page 9)				711	55
INSULATION & MOISTURE (Page 10)				33,902	95
ROOF/WALL - Panels (Page 11)				64,105	62
SIDING (Page 12)				61,935	20
ROOFING - Membrane (Page 13)				43,092	25
DOORS - Bids & Labor (Page 14)				78,357	09
DOORS - Special Function (Page 15)				2,368	88
STORFRONT & CURTAIN WALL (Page 16)				10,067	74
WINDOWS - Bids & Labor (Page 17)				11,824	86
GLAZING (Page 18)				710	40
FINISHES - Drywall (Page 19)				62,743	75
FINISHES - Tile & Stone (Page 20)				9,771	62
FINISHES - Ceiling (Page 21)				74,041	50
FINISHES - Flooring (Page 22)				89,506	16
FINISHES - Paint (Page 23)				25,215	43
SPECIALTIES (Page 24)				31,372	58
EQUIPMENT (Page 25)				1,043,687	72
FURNISHINGS (Page 26)				45,724	53
COUNTERTOP (Page 27)				2,556	54
FIRE SUPPRESSION (Page 28)				42,304	50
PLUMBING - Bids & Labor (Page 29)				105,672	00
HVAC (Page 30)				285,421	50
ELECTRICAL - Low Voltage (Page 31)				221,964	75
SITE - Earthwork (Page 32)				95,370	10
SITE - Paving & Curbs (Page 33)				101,461	47
SITE - Improvements (Page 34)				17,370	51
UTILITY - Water (Page 35)				15,753	63
Subtotal				2,862,477	00
Fees: Impact Fees				30,000	00
Fees: Building Permit < 100K	2.800%			97,371	00
Insurance: Builder's Risk	0.250%			8,694	00
Insurance: Subcontractor	0.500%			17,388	00
Insurance: General Liability	0.750%			26,082	00
Bond: Payment & Performance				23,000	00
Margin: GC on bid	15.000%			412,357	00
<u>Estimate Total</u>				3,477,369	00

TAB 2



September 6, 2018

Dr. Sandra Caldwell
Executive Director
Wyoming Community College Commission
2300 Capitol Avenue, 5th Floor, Suite B
Cheyenne, WY 82002

Dear Dr. Caldwell:

During the 2015 Legislative session, the Legislature approved a request for \$8,000,000 from the Fremont County Community College District (CWC) for the construction of a new Ag & Animal Science Center. Additionally, the Legislature approved an appropriation of \$325,000 to fund a Level II design, which was completed at the end of 2016.

During the 2016 Legislative session, the project amount was increased and approved by the Legislature for \$10.5 million, with CWC and the State each providing half of the cost. While certainly not intentional, this project was never approved by the Wyoming Community College Commission from the beginning.

The original Level I plan was estimated at \$10,500,000 back in 2015. The updated construction budget is \$18,353,584, an increase of 75%. The reasons for this magnitude of an increase are:

- 1) Our original cost per square foot estimates have been refined due to the escalation of construction and other project costs (the tariff and trade wars have caused great uncertainty within the construction industry) since this building was approved.
- 2) We have worked with Dave Webb from the Construction Management Division and used their financial model to better estimate construction and related costs
- 3) We added a 5% per year inflation escalation, a 5% construction contingency, and a 15% design/bid contingency (total of \$3.5 million).
- 4) Historically, the original concept of this facility was to replace the aging CWC Equine Center therefore the Level I and Level II work focused on equine needs and thus much of the Ag aspect of this project was inadvertently overlooked. To meet the original Level I and II Ag scope of this project, an Animal Science/Meat space has now been included to the floor plan while keeping within the original footprint size of the building. The CWC Ag curriculum will require all majors to take an animal science/meats course as part of the core, so no new programs need to be approved for this facility enhancement. Only existing certificates and degrees are altered. This focus on meats at CWC throughout the curriculum follows the State's ENDOW and other initiatives to support more local meat

Dr. Sandra Caldwell
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September 6, 2018

processing to capture value-added revenues and jobs. Currently, CWC and local leaders have a draft plan for a new USDA slaughter facility. Also, CWC has a USDA-inspected Jerky producer in its business park.

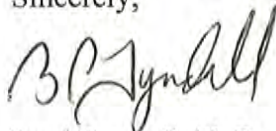
It is important to note that the original square footage as defined in the Level II study has not increased. We will further refine our cost estimate during Level III design and would not expect the cost to increase any further.

These increased costs will be included as a supplemental budget request for the state construction department and as such will be reviewed and approved by the state building commission, the governor, and the 2019 legislature.

Under Wyoming Statute 21-18-202 (d) (v) (C), if the increase in square footage and the increase in construction costs have increased the total cost of an approved project beyond a 10% cost threshold, it requires additional approval by the WCCC. On behalf of CWC, I respectfully ask the Commission's consideration of approving the request for official approval and increased cost authorization for the Ag & Animal Science Center.

We appreciate your consideration for this needed project.

Sincerely,



Brad Tyndall, Ph.D.
President

TAB 3

Wyoming Community College Commission

2300 Capitol Ave., 5th Floor, Suite B, Cheyenne WY 82002

Commissioners

Mr. Larry Atwell, Cheyenne
Mr. Bruce Brown, Devils Tower
Ms. Katherine Dooley, Powell
Dr. Craig Frederick, Guernsey
Dr. Jackie Freeze, Rock Springs
Ms. Sandra Meyer, Evanston
Ms. Julia Newman, Torrington



Ex-officio
Governor Matt Mead
State Superintendent Jillian Balow
Executive Director
Dr. Sandra Caldwell

Phone: 307-777-7763
Fax: 307-777-6567
www.communitycolleges.wy.edu

MEMO

To: WCCC Commissioners
From: Dr. Sandy Caldwell, Executive Director WCCC
CC: Mel Muldrow, Administrator, State Construction Dept, Construction Management Div
Date: September 11, 2018 per August 29, 2018 agreement
Re: Level I/Level II Prior Approved CapCon Projects Costs Annual Escalation Factor

Recent activity regarding Level I and Level II CapCon projects including the process of increasing estimated costs during the planning phase resulted in the need to incorporate an annual escalation factor for prior approved projects. W.S. 21-18-202(v. C) states that the commission must reapprove/authorize previously approved and uncompleted new CapCon projects which have increased in total cost by 10% or more since cost estimates were developed at the time of initial project approval. Given capital projects are often on hold for multiple years during fundraising, approved projects often exceed the anticipated amount by more than 10% based solely on escalation of costs due to construction costs. State Construction Department recognized that incorporating an annual escalation factor for prior approved projects would allow for better planning in a year-over-year basis. As such, State Construction Department has agreed to provide an annual cost of construction escalation factor by April of each year. This would allow an updated estimated costs basis for the colleges during the fundraising period and will ensure that the WCCC is aware of anticipated capital construction costs in the coming years.

In consultation between WCCC staff and State Construction Department, two specific types of projects are directly impacted: 1. Level I Projects that are approved by the WCCC, but are more than one year post-approval, and 2. Level II projects with costs of construction created during the formation of an actual project that have passed two years of post-project development.

1. Level I:

- a. Level I projects are the prioritized projects with an initial cost estimate that is given to State Building Commission. The Level I estimate is well understood to be an estimate that will come to a hard construction cost during the Level II phase when the formation of an actual project occurs.
- b. If a Level I project has not been adjusted year-over-year to accommodate annual escalation of construction costs including those exceeding the 10% requirement, the Level II cost estimate may be significantly increased creating a large variance between initial project costs and actual project costs.

Neither the WCCC nor SBC have initiated an annual escalation factor for Level I in the past. The practice of incorporating an escalation factor for increased building costs for projects is a commonly used best practice in state facility planning and construction. Additionally, the statutes related to W.S. 21-18-202(v. C) clearly states that the commission must reapprove/authorize previously approved and uncompleted new CapCon projects which have increased in total cost by 10% or more since cost estimates were developed at the time of initial project approval.

As a result, State Construction Department has agreed to provide the WCCC with an annual escalation factor by end of April of each year to adjust approved project estimates that are required to be submitted to SBC per W.S. 18-21-205(g).

2. Level II:

a. Once a Level I escalation factor for increased costs is implemented on an annual basis, the occurrence of the Level II costs being significantly above the 10% approval requirement should theoretically be reduced. Nonetheless, the Level II cost estimate also would automatically result in an adjustment for the WCCC for any amount in excess of 10%. Additionally, State Building Commission includes a 5% per year for two years cost escalation for all Level II projects. State Construction Department has agreed to provide an annual escalation factor for the Level II projects after the two-year period that have not moved forward to Level III.

In summary, State Construction Department will provide to WCCC an annual escalation factor every April for prior approved Level I projects and Level II projects to ensure that prior WCCC approved projects maintain a current and relevant cost estimate. This agreement occurred on August 29, 2018, per Mel Muldrow, Administrator, State Construction Department, Construction Management Division.