

ILLINOIS STATE
UNIVERSITY

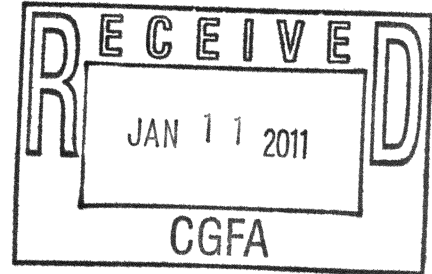


Office of the
Vice President for
Finance and Planning

302 Hovey Hall
Campus Box 1100
Normal, IL 61790-1100
Telephone: (309) 438-2143
Facsimile: (309) 438-2768

January 10, 2011

Mr. Dan Long, Executive Director
Commission on Government Forecasting and Accountability
703 Stratton Office Building
Springfield, IL 62706



Dear Mr. Long,

Illinois State University requests a hearing before the Commission to present the Energy Conservation Measures Phase I (ECM Phase I) and the Hovey Hall Improvements projects to be financed with Certificates of Participation in accordance with Public Act 096-0015.

The Certificates will be issued to finance these projects in an amount not to exceed \$15.0 million and will be sold through a competitive public offering. Debt service for the ECM Phase I project will be funded from guaranteed utility savings derived from the project. Debt service for the Hovey Hall Improvements project will be funded from University general revenues. These projects were approved by the University's Board of Trustees (Board) at its October 22, 2010 meeting. The financing plan for both projects is expected to be approved at the Board's February 18, 2011 meeting. A draft of the Preliminary Official Statement for the issuance is attached.

The ECM Phase I project consists of 17 energy conservation measures (ECMs) costing approximately \$8.52 million. This project began in October 2009, after a competitive selection process that included the evaluation of 11 proposals, with the selection of NORESKO to conduct an investment grade energy audit and enter into an energy services agreement. The energy audit was completed in August 2010 with the identification of 19 potential ECMs of which 17 were ultimately recommended for Board approval. The project is estimated to yield utility savings of approximately \$15.5 million over a 20 year period. In addition to the utility cost savings, the University will benefit from significant HVAC improvements and maintenance cost avoidance. Please refer to the attached Board Resolution for additional project information.

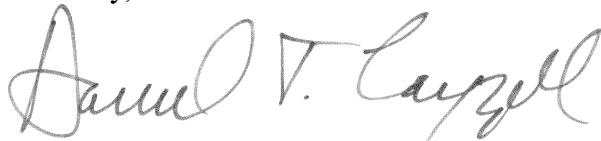
The Hovey Hall Improvements project is estimated to cost \$5.5 million with work to begin in Summer 2011. Hovey Hall is located on the central part of campus and contains the University's main administrative offices, including the Office of Admissions. Hovey Hall was originally built in 1951 with an East Annex added in 1966. The scope of this project includes major remodeling of the first floor to extend the life of the building and to accommodate the relocation of the Office of Financial Aid from Fell Hall to Hovey Hall for improved service to both prospective and current students (see the attached map for the campus locations of both Fell Hall and Hovey Hall). In addition, following the collapse of a pre-cast column cover on the exterior of Hovey Hall in December 2009, a structural engineering firm determined the replacement of all remaining pre-cast column elements as necessary to ensure avoidance

Commission on Government Forecasting and Accountability
January 10, 2011
Page Two

of any additional life safety risk. Work to resolve this problem is included as part of the project. Please refer to the attached Board Resolution for additional project information.

We look forward to discussing the financing of these important projects with the Commission. In the meantime, please contact me if you have any questions or need further information.

Sincerely,

A handwritten signature in cursive script that reads "Daniel T. Layzell". The signature is written in black ink and is positioned above the printed name and title.

Daniel T. Layzell
Vice President for Finance and Planning

Attachments

Cc: President Bowman
Greg Alt, Assistant Vice President for Financial Administration/Comptroller
Debra Smitley, Senior Associate Vice President for Planning, Finance, and Facilities
Jane Denes, Board Counsel
Andrea Bacon
John Vincent

ILLINOIS STATE
UNIVERSITY

BOARD OF
TRUSTEES

Resolution No. 2010.10/34
Approval of ESCo Contract
with NORESKO

Resolution

Whereas, the **Public University Energy Conservation Act, 110 ILCS 62** authorizes state universities to enter into contracts with Energy Services Companies (ESCOs), also known as "Performance Contracts" or "Guaranteed Energy Contracts" as long as the selected energy conservation project(s) will obtain an annual savings guarantee, which will be equal to or greater than the total annual project costs (maximum of 20 years), and

Whereas, Illinois State University entered into an Energy Audit Agreement with NORESKO to conduct an Investment Grade Audit on Milner Library, the Science Laboratory Building and the Heating Plant, and

Whereas, the audit conducted by NORESKO identified 17 Energy Conservation Measures (ECMs) totaling \$8,516,001 in initial capital costs that will result in a first-year utility cost savings of over \$587,763, and

Whereas, the total savings resulting from these 17 ECMs over the 20 year period (\$15,511,841) is greater than the total project costs (\$14,413,858), satisfying the statutory requirements, and

Whereas, the services and improvements to be delivered by this project will allow the University to: a) incur no initial capital cost, b) achieve long term savings, which are measured and verified, c) obtain consistent levels of occupant comfort and system functionality, e) capture environmental benefits, f) reduce the deferred maintenance backlog, and g) finance the project through an installment payment or a lease purchase arrangement over an extended contract term, and

Whereas, the savings generated by this project will primarily be energy savings, but may also include significant savings of operational and maintenance costs as well as potential capital avoidance;

Therefore be it resolved that the Board of Trustees approves the request for authorization for Illinois State University to enter into contract with NORESKO based upon the previous study information.

Board Action on: <u>October 22, 2010</u>	Postpone: _____
Motion by: <u>Shawna Doherty</u>	Amend: _____
Second by: <u>Trustee [Signature]</u>	Disapprove: _____
Vote: Yeas: <u>7</u> Nays: <u>0</u>	Approve: _____

ATTEST: Board Action, October 22, 2010

Michael P. [Signature]
Secretary/Chairperson

**Board of Trustees
Illinois State University
Approval of ESCo Contract with NORESCO**

The Public University Energy Conservation Act, 110 ILCS 62 authorizes state universities to enter into contracts with Energy Services Companies (ESCOs), also known as “Performance Contracts” or “Guaranteed Energy Contracts” as long as the selected energy conservation project(s) will obtain an annual savings guarantee which, will be equal to or greater than the total annual project costs (maximum of 20 years). Illinois State University issued a Request for Proposals to all qualified ESCOs in March 2009. Of the 11 submissions, three were selected as “best qualified” and invited to participate in a competitive Preliminary Technical Audit (PTA). On October 1, 2009, NORESCO was recommended and approved as the best qualified ESCo.

In January 2010 the University entered into an Energy Audit Agreement with NORESCO to conduct an Investment Grade Audit on Milner Library, the Science Laboratory Building and the Heating Plant. This audit was completed and delivered to the University on August 2, 2010 and included 19 possible Energy Conservation Measures (ECMs) for ISU’s consideration. After further analysis and discussion, two of these ECMs were excluded based on the lack of sufficient savings given the cost incurred. The cost to complete the 17 recommended ECMs and the first year utility cost savings resulting from the ECMs are shown in the summary table below. A more detailed description of each ECM is included in the Appendix.

#	Energy Conservation Measures	Cost	1 st Year Savings
1	Milner Lighting Retrofits	\$ 622,417	\$ 50,073
2	Milner Domestic Water Retrofits	49,201	2,779
3	Milner VAV and DDC Conversion	1,915,027	123,758
4	Milner Rare Books Room Isolation and Controls	146,754	(1,108)
5	Milner Air Handler and Duct Cleaning	119,027	-
6	Milner Replace Dampers	394,072	1,237
7	Milner Variable Primary Chilled Water Control	1,026,765	28,784
8	Milner Submeters	98,172	-
9	SLB Lighting Retrofits	259,770	23,648
10	SLB Domestic Water Conversation	10,941	5,454
11	SLB Fume Hood Removal	98,640	15,418
12	SLB Variable Primary Chilled Water Control	1,350,176	42,680
13	SLB Submeters	81,849	-
14	Heating Plant Chillers	2,241,035	287,826
15	Heating Plant Domestic Water Conservation	2,129	44
16	Heating Plant Lighting Retrofits	31,517	7,170
17	Web Based Green Screen Student Initiative	68,510	-
	Total	\$ 8,516,001	\$587,763

As noted earlier, the enabling legislation for these projects stipulate that they will obtain an annual savings guarantee that will be equal to or greater than the total annual project costs in 20 years or less. The table below shows the total utility savings over 20 years resulting from the 17 ECMs, the total costs and the net cash flow. As indicated, the guaranteed savings from these projects will exceed the total costs by \$1.1 million dollars over this period. It should also be noted that there will likely be savings of operational and maintenance costs over and above the \$1.1 million in projected energy cost savings resulting from these ECMs.

Utility Savings	Lease Payments	M&V and O&M Costs	Total Costs	Net Cash Flow
\$15,511,841	\$14,356,505	\$57,353	\$14,413,858	\$1,097,983

As noted in the informational item presented to the Board at its July 23, 2010, meeting¹, the proposed plan for financing the construction costs for these ECMs includes the issuance of Certificates of Participation (COPs), which will be paid back through the energy savings generated by the ECMs. Upon approval of this resolution the next steps include:

- November 1, 2010: Finalize and sign the Energy Services Agreement (ESA) with NORESKO
- November 2010 – April 2011: Planning for construction and order required equipment
- February: BOT approves Certificate of Participation
- April 1, 2011: Funding is available and construction begins until complete (April 1, 2012)

¹ Report 2010.07/1100.03 *ESCo Project – Interim Report and Presentation.*

Appendix
Energy Conservation Measures (ECM) Description

ECM#1 Lighting Retrofits & Controls, Milner Library

Price: \$622,417

Savings: \$50,073

Description

This proposal is to retrofit existing linear fluorescent fixtures with new high efficiency 25-watt T8 low-mercury lamp and high efficiency instant start electronic ballast combinations. For fixtures that are damaged and unable to be retrofitted, NORESCO proposes to replace the entire fixture with new fixtures containing the same high efficiency lamp/electronic ballast combinations in those being retrofitted. Depending on the application, existing HID fixtures will be replaced with linear fluorescent T8, linear fluorescent T5 high-output, or compact fluorescent fixtures

Additionally, occupancy sensor lighting controls will be installed in areas with unpredictable occupancy patterns, such as offices and restrooms.

Benefits

- Creates energy savings
- Reduces use in unpredictable occupancy areas such as washrooms & offices by using occupancy sensors
- Creates consistent light fixture look throughout
- Creates consistent light levels and intensity throughout
- Replaces problematic light fixtures in “corners” of library

ECM #2 Domestic Water Conversion, Milner Library

Price: \$49,201

Savings: \$2,779

Description

This proposal is to replace & retrofit all water fixtures. NORESCO will provide new toilets, sensor-operated urinal flush valves, and lavatory sink flow controls. All the new fixtures and valves will be low-flow devices conforming to the latest standards. The replacement equipment will provide flushing action adequate to remove waste.

Benefits

- Dated toilets and urinal fixtures will be replaced with new china
- Faucets & hand actuators shall be replaced with new nickel colored fixtures
- Urinals shall get sensor operated flush valves
- New ultra low maintenance, low flow fixtures will be installed

ECM #3 VAV & DDC Controls Conversion, Milner Library

Price: \$1,915,027

Savings: \$123,758

Description

Convert the existing antiquated constant volume air distribution system to an energy efficient variable air volume system. To accomplish this all 5 supply & 5 return fans shall be replaced. Highly energy efficient electronic variable frequency drives shall be installed. Old pneumatic actuators and controls shall be replaced by direct digital controls and tied back to the campus building automation system. All mechanical temperature control equipment on the floor level occupied zones will be replaced with quiet networked electronic devices.

Benefits

- The library will become a quieter place.
 - Clanking mechanical actuators will be replaced with noiseless electronic devices and rushing air noises will be reduced.
 - Summer humidity levels in the library will be reduced.
 - The 114 unique temperature zones within the library will be connected to the campus system, allowing facilities to remotely monitor library temperature & humidity conditions and respond to complaints before the call arrives.
 - CO₂ (Air Quality) shall be monitored and clean fresh air introduced as required to maintain fresh air levels
 - Antiquated pneumatic controls will be replaced with state of art electronic DDC controls all tied to the campus building management system.
-

ECM # 4 Isolate & Control Temperature/Humidity Rare Books Room, Milner

Price: \$146,754

Savings: (\$1,108)

Description

This proposal is to environmentally seal the Rare Books Room (RBR), so humidity control can be added. To accomplish this existing supply ducting and air returns have to be re-routed and new unitary humidification equipment installed. Wall mounted humidistat's will be installed for local control.

Benefits

- Environmentally seals RBR from main library allowing separate environmental control of each space.
- Humidity and temperature shall be tightly controlled in RBR (Tight humidity control of main library is not possible during winter due to single pane glass used in large corner windows).
- Air flows shall be made constant to provide a steady uniform controlled environment.
- With a simple building automation system addition, RBR personal shall be able to trend and archive time stamped temperature and humidity data long term.
- RBR will get local control of temperature and humidity

ECM # 5 Air Handler & Duct Cleaning, Milner Library

Price: \$119,027

Savings: None

Description

This proposal is to vacuum library air handlers, floor heating coils, floor ducts and mixed and return air ducts. Over the years, despite regular maintenance on the air handlers filters, dirt has accumulated in library air systems, primarily return air systems. Our concern is when NORESKO begins the VAV conversion this dirt will become unleashed and migrate all over the library causing dust problems for faculties, subcontractors and students alike.

Benefits

- Air quality will improve due to a cleaner air delivery system environment
- Dust plugged return air grills, heating & cooling coils will once again transfer air and energy as designed.

ECM # 6 Replace OA/RA Dampers, Milner Library

Price: \$394,072

Savings:

\$1,237

Description

This proposal is to replace the 35 year old outside, return and mixed air dampers on the air handling units. Outside air damper leakage can significantly impact energy savings.

Benefits

- Well sealed dampers reduce cold and hot air leakage during peak cooling and heating seasons.
- Defective dampers can significantly impact savings due to excessive leakage.

ECM # 7 Variable Primary Chilled Water Control, Milner Library, Bone Center, and Braden Auditorium

Price: \$1,026,765

Savings:

\$28,784

Description

Vari-Prim is an operating method that helps large campus chilled water systems provide energy efficient, optimal thermal comfort under all outside air conditions. Due to campus size & diversity of building types it is hard for building systems to operate at top efficiency 100% of the time. Vari-Prim was created to fix these shortcomings. At its core, Vari-Prime controls the water temperature drop (ΔT) across the chillers. Optimum ΔT across chillers is key to efficiency and capacity.

Specifically, 18 Air Handlers at Bone/Braden will be fitted with pressure independent control valves to control temperature and flow precisely. Discharge temperature sensors will be installed & PID loops closed on each and connected to the campus building automation system. The 5 Milner AHUs will also get pressure independent valves. The Milner/Bone equipment chiller room will be fitted with new pressure independent valves, crossover pipe and flow meters.

Benefits

- Saves pump energy and improves chiller efficiency.
- Effective in serving diverse loads, one building maybe open 24X7, the other might be 9 to 5, each working optimally
- Helps chillers operate at design efficiency at part load, which is 90% of the time.
- Primary/secondary campus chilled water systems will be modified, simplified and finally all harmonized.
- Additional buildings can be brought on line and supplied chilled water without adding more chillers, pumps, etc
- This initiative will complete the campus plan to migrate away from primary/secondary systems and harmonize all building chilled water interfaces/control systems around the Milner/Bone chilled water loop.
- Modulating chilled water valves will be added to buildings missing them and VFDs will be added to building pumps without speed control
- New high tech pressure independent valve technology will be used everywhere to simplify the Milner/Bone chilled water loop control

ECM # 8 Submeter – Steam, Electric and Chilled Water, Milner, Bone Center

Price: \$98,172

Savings:

Not measurable – Needs to be stipulated

Description

Devices will be installed in steam, electric and chilled water lines that will allow the University to precisely measure the energy being used by these buildings. Measurement is a necessary ingredient to long term energy savings and this equipment will provide the data to make good energy savings decisions long term.

Benefits

- Steam meters will help identify how much boiler steam is being used. Staff will have the ability to see when the energy is being used and compare it to longer term data trends.
- Electric meters will allow staff to monitor and compare energy usage per time of day to make educated decisions about future use
- Chilled water will be measured allowing staff to analyze chiller performance
- Tenant submeter data will be available to help with building systems update and make maintenance decisions.

ECM # 9 Lighting Retrofits & Controls, SLB

Price: \$259,770 Savings: \$23,648

Description

Retrofit all existing linear fluorescent fixtures with new high efficiency 25-watt T8 low-mercury lamp and high efficiency instant start electronic ballast combinations. Fixture delamping will also be employed to reduce light intensity and wattage.

Additionally, NORESKO proposes to install occupancy sensor lighting controls in areas with unpredictable occupancy patterns, such as offices and restrooms. Day lighting controls will be installed in the south facing entryway to take advantage of the natural light to save energy.

Benefits

- Replaces the stairwell light fixtures which are difficult to find parts for.
- Creates consistent light level and intensity throughout the laboratories
- Reduces use in unpredictable occupancy areas such as washrooms & offices by using occupancy sensors

ECM # 10 Domestic Water Conversion

Price: \$10,941 Savings: \$5,454

Description

The proposal is to replace & retrofit all water fixtures which will dramatically improve the water efficiency and enhance working conditions. NORESKO will provide new toilets, sensor-operated urinal flush valves, and lavatory sink flow controls. All the new fixtures and valves will be low-flow devices conforming to the latest standards. This action will reduce unnecessary water use, minimize maintenance requirements, and provide the facilities with new, more attractive plumbing fixtures. The replacement equipment will provide flushing action adequate to remove waste.

Benefits

- Toilet and urinal fixtures will be replaced with new china
- Faucets & hand actuators shall be replaced with new nickel colored fixtures
- Urinals shall get sensor operated flush valves
- New ultra low maintenance, low flow fixtures will be installed

ECM # 11 Fume Hood Removal in Freshman Chemistry Labs 112 & 114

Price: \$ 98,640

Savings:

\$15,418

Description

The proposal is to remove fume hoods located in the center of Freshmen Chemistry Laboratories 112 and 114. Associated HVAC environmental equipment will be removed recalibrated and ceilings repaired and/or replaced. Lab counter tops shall be repaired as required after the fume hoods are removed.

Benefits

- Lectures within the laboratories will now be much easier with the center of the laboratory free of encumbrances.
- Supply air to the labs will be scaled back saving energy and reducing the rushing air noise.
- The laboratory space will become more usable for a wider variety of Chemistry Department teaching/lecture needs.

ECM # 12 Variable Primary Chilled Water Control, SLB & East Campus

Price: \$ 1,350,176

Savings:

\$42,680

Description

Vari-Prim is an operating method that helps large campus chilled water systems provide energy efficient, optimal thermal comfort under all outside air conditions. Due to campus size & diversity of building types it is hard for building systems to operate at top efficiency 100% of the time. Vari-Prim was created to fix these shortcomings. At its core, Vari-Prime controls the water temperature drop (ΔT) across the chillers. Optimum ΔT across the chiller is key to efficiency and capacity.

This proposal is to install large pressure independent valves at air handlers and crossover pipes in Science equipment room. (These are very large 8 & 10 inch valves). These devices will make it possible to throttle back chilled water flow and capture the benefits listed below. Pressure sensors will be installed at the remote ends of building chilled water loop and in the Science equipment room to monitor chilled water flow. The University will be able to monitor all of these changes on the campus BAS system.

Remote buildings Vrooman will get 8 pressure independent valves, Manchester 5, Felmley Science 4, Hewett 5, Felmley Annex 6, & Moulton 2. Two Electronic Triple Bypass VFDs with line reactors will be added at Felmley, Felmley Annex 2, Science 2-125HP. Secondary Chilled Water Bridges will be repiped to meet University standards at Vrooman, Hewett, Manchester.

Benefits

- Pump energy savings and chiller efficiency improvements will come from pumping less excess chilled water around campus.
- Additional buildings can be supplied chilled water and thus be air conditioned without adding more chillers, pumps, etc
- NORESKO will complete campus plan to migrate away from primary/secondary systems and harmonize all building chilled water interfaces/control systems to campus loop
- Modulating chilled water valves will be added to buildings missing them and VFDs will be added to building pumps without speed control
- New high tech pressure independent valve technology will be used everywhere to simplify chilled water loop control

ECM # 13 Submeter – Steam, Electric and Chilled Water, SLB

Price: \$81,849

Savings:

Not measureable – Needs to be stipulated

Description

Devices will be installed in steam, electric and chilled water lines that will allow the University to precisely measure the energy being used by these buildings. Measurement is a necessary ingredient to long term energy savings and this equipment will provide the data necessary to make good energy savings decisions long term.

Benefits

- Steam meters will help identify how much boiler steam is being used. Staff will have the ability to see when the energy is being used and compare it to longer term data trends.
- Electric meters will allow staff to monitor and compare energy usage per time of day to make educated decisions about future use
- Chilled water will be measured allowing staff to analyze chiller performance
- Tenant submeter data will be available to help with building systems update and make maintenance decisions.

ECM # 14 Replace Absorption Chillers with Electric Chillers, Heating Plant

Price: \$2,241,035

Savings:

\$287,826

Description

The two large absorption chillers will be replaced with 2 new 1000 ton electric chillers of the same variety and type that were recently installed in the new south plant chiller plant. Existing cooling towers will be used as is to save cost and 4 new chilled water pumps will be installed. New doors will be installed for service purposes into the north side of the heating plant and a new refrigerant leakage system will be included. A 4000V Electric service will be installed to power the chillers.

Benefits

- Installing these chillers will result in significant energy savings over \$280K /yr.
- Mechanical chillers are more common, efficient and reliable than absorption chillers as evident by the recent breakdown of the current system
- The same type chillers are being used elsewhere on campus making service and repair parts more common and easier to access.
- Installing the new chillers will free up facilities chiller service for 5 to 7 years
- New chillers will use existing condenser towers and building automation interface making them very economical.

ECM # 15 Domestic Water Conversion, Heating Plant

Price: \$2,129

Savings:

\$44

Description

This ECM was included despite the poor payback, since the Heating Plant restroom facilities are old and would benefit from an upgrade. The proposal is to replace & retrofit the water fixtures to enhance working conditions and improve water savings. NORESKO will provide new toilets and lavatory sink flow controls. All the new fixtures and valves will be low-flow devices conforming to the latest standards.

Benefits

- Toilet fixtures will be replaced with new china

- All faucets & hand actuators shall be replaced with new nickel colored fixtures
- New low maintenance fixtures will be installed

ECM # 16 Lighting Retrofits & Controls, Heating Plant

Price: \$31,517

Savings: \$7,170

Description

The proposal is to retrofit all existing linear fluorescent fixtures with new high efficiency 25-watt T8 low-mercury lamp and high efficiency instant start electronic ballast combinations. Existing HID fixtures will be replaced with linear fluorescent T8, linear fluorescent T5 high-output, or compact fluorescent fixtures. Additionally, NORESO proposes to install occupancy sensor lighting controls in areas with unpredictable occupancy patterns, such as offices and restrooms.

Benefits

- New technology lighting saves energy and improves light quality
- Consistent light level and intensity throughout the facility
- Unpredictable occupancy areas such as washrooms & offices get state of the art infra-red & people movement lighting controls

ECM # 17 Web Based Green Screen Initiative, Campus Wide

Price: \$68,510

Savings: Not measurable. Needs to be stipulated

Description

NORESCO will install the hardware and software necessary to integrate two interactive monitors on campus that will display real time energy usage for the Library and Science Lab. In addition, these monitors will display interactively a number of other benefits related to the energy conservation program and construction activities along with the sustainability efforts throughout campus. This measure includes oversight by NORESO personnel to help develop this initiative through a capstone class headed up by the Renewable Energy Department. Details will be worked out with the new Renewable Energy Department Head who is already aware of the project.

Benefits

- Formally communicates the benefits of all energy saving and sustainability programs throughout campus
- Creates a tangible showcase for not only ISU students and staff but other visitors either local or via the website
- Helps creates and showcase a culture throughout campus that fosters leadership in sustainability and energy conservation
- Involves students in the program who can learn from the design and installation experience and also build relationships within energy conservation industry personnel

ILLINOIS STATE
UNIVERSITY

BOARD OF
TRUSTEES

Resolution No. 2010.10/36
Hovey Hall Improvements

Resolution

Whereas, Hovey Hall, the administration building, is a facility owned and operated by Illinois State University, and

Whereas, regular maintenance and improvements to increase longevity are regular occurrences in University facilities, and

Whereas, the remodeling is needed to create a more welcoming entrance to Hovey Hall on the east side of the building and to accommodate the relocation of the Financial Aid Office:

Therefore, be it resolved that the Board of Trustees authorizes a capital project to undertake improvements to Hovey Hall including remodeling of the first floor, repair of exterior columns and repair of the exterior building envelope for a total cost not to exceed \$5.5 million.

Therefore, be it further resolved that the Board of Trustees authorizes the University administration to establish budgets, appoint architects and engineers, develop required designs and construction documents, advertise, receive and then award public bids and undertake construction for making the capital improvements described herein.

Board Action on:	<u>October 22, 2010</u>	Postpone:	_____
Motion by:	<u>Trustee Kmsu</u>	Amend:	_____
Second by:	<u>Trustee Palmer</u>	Disapprove:	_____
Vote:	Yeas: <u>7</u> Nays: <u>0</u>	Approve:	_____

ATTEST: Board Action, October 22, 2010

Michael P. McSherry
Chairperson/Secretary
Chair

**Board of Trustees
Illinois State University
Hovey Hall Improvements**

This item seeks Board of Trustees authorization for capital improvement project involving the remodeling of Hovey Hall. The scope of work involves three major activities: remodeling of the first floor, repair of exterior columns and repair of the exterior building envelope.

First Floor Renovation - The Financial Aid Office assists thousands of students cover college costs each year, providing a valuable service to students and their families. The office consists of multiple units – Management, Scholarship Resources, Counseling, Grants, Loan/Student Employment, Outreach and Technical and Operational staff. The Office is currently located in approximately 10,000 assignable square feet on the second floor of Fell Hall. Locating the Office in closer proximity to the Admissions Office, currently located on the second floor of Hovey Hall, will facilitate the close working relationship between these two units, and make it easier for students and their families when they are on campus to work with both offices. With the relocation of the Comptroller’s Office to Uptown Crossing, space is available in Hovey Hall to accommodate the Financial Aid Office.

Remodeling will accommodate the relocation of the Financial Aid Office to Hovey Hall, providing a proper floor plan and cosmetics. Remodeling also will include an upgrade of the front lobby area to create a more welcoming entrance to the building on the east side, the construction of a small entry vestibule and improvements to mechanical and electrical systems. A significant existing problem is frequent pipe leaks of the domestic water system. The estimated cost of this work, excluding equipment, is \$3.3 million.

Column Repair - Following the collapse of the pre-cast column cover of the northern-most column along the east side of Hovey Hall in December 2009, the University contracted with a structural engineering firm to examine the columns and assist in developing a course of action to avoid any other column issues at Hovey Hall. The work identified involves the removal of all of the remaining pre-cast elements on the columns at the east entrance to Hovey Hall. More light-weight materials will be used to cover the columns along with brick features to provide a more aesthetically pleasing appearance. The estimated cost of this work is \$1.2 million.

Exterior Envelope Repairs - An examination of the exterior building envelope by a structural engineering firm revealed a modest amount of deterioration in the curtain wall system, pre-cast concrete, roofing and glazing. Repairs will be made to the pre-cast elements as part of this work along with replacement of all of the gaskets on windows. The estimated cost of this work is \$500,000.

Resource Requirements

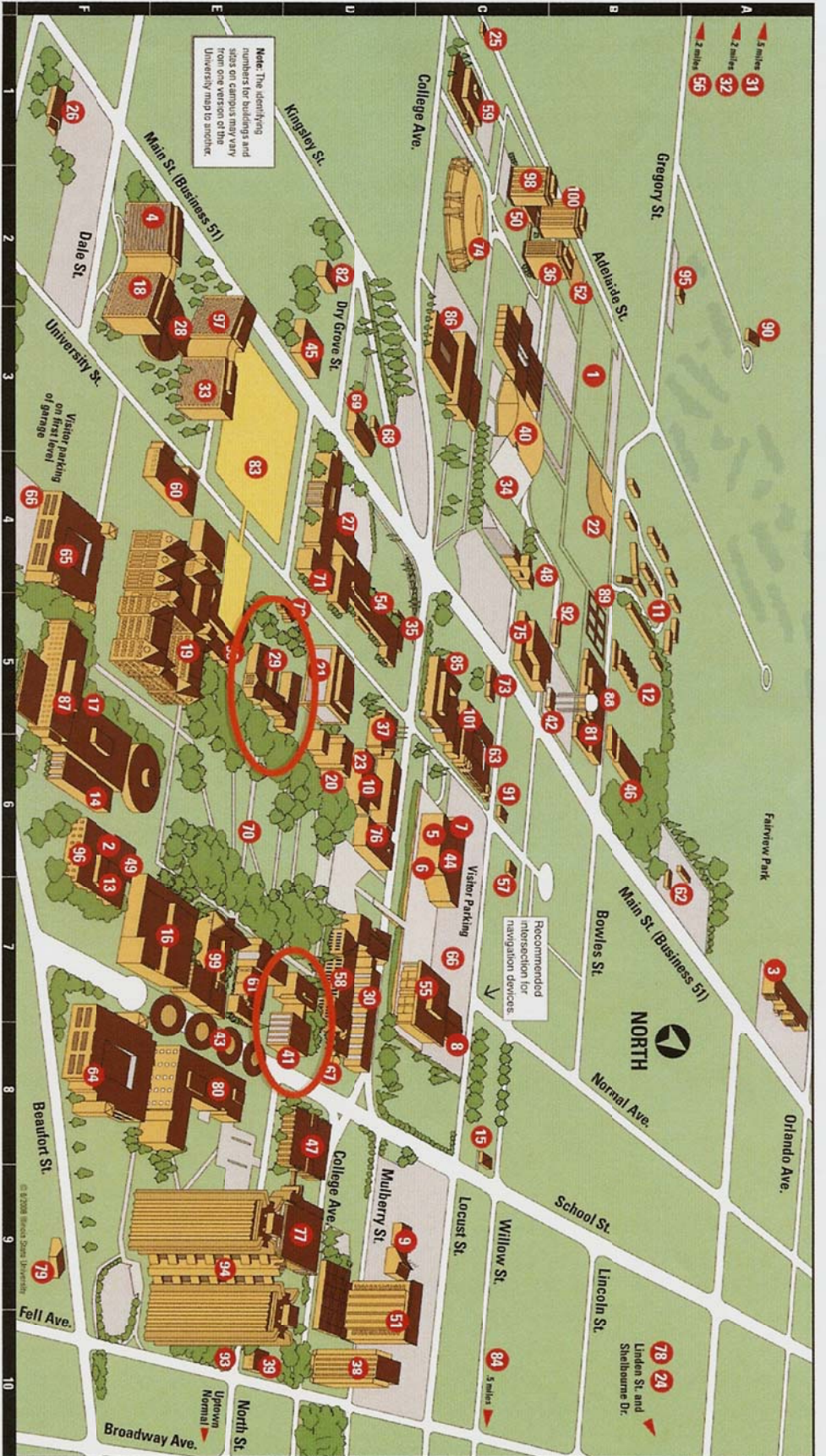
Construction	\$4,000,000
Furnishings	500,000
Design Fees	500,000
Contingency	<u>500,000</u>
Total Project Cost	\$5,500,000

Source of Funding: Certificates of Participation



ILLINOIS STATE UNIVERSITY

Illinois' first public university



- 1 Adelaide Soccer Field B3
- 2 Allen Theatre F6
- 3 Alumni Center A7
- 4 Atkin Hall E2
- 5 Bone Student Center C6
- 6 Braden Auditorium C6
- 7 Brown Ballroom C6
- 8 Bowling and Billiards Center C8
- 9 Campus Religious Center D9
- 10 Capen Auditorium D6
- 11 Cardinal Court B5
- 12 Carter Harris Building B5
- 13 Centennial East F7
- 14 Centennial West F6
- 15 Center for Intercultural Relations C8
- 16 Center for the Performing Arts E7
- 17 Center for the Visual Arts F5
- 18 Colby Hall F2
- 19 College of Business Building E5

- 20 Cook Hall D6
- 21 DeGarmo Hall D5
- 22 Duffy Bass Field B4
- 23 Edwards Hall D6
- 24 Energy House B10
- 25 Eyestone School Museum C1
- 26 Facilities Planning Building F1
- 27 Fairchild Hall D4
- 28 Feeney Dining Center E3
- 29 Fall Hall E5
- 30 Feinley Hall D7
- 31 Gregory Street Property A1
- 32 Gregory Street Complex A1
- 33 Hamilton Hall E3
- 34 Hancock Building C4
- 35 Hayden Auditorium D5
- 36 Haynie Hall C2
- 37 Heating Plant D5
- 38 Hewett Hall D10
- 39 Honors Program E10
- 40 Horton Field House C3
- 41 Hovery Hall D8
- 42 Hudelson Building B5
- 43 In Exchange E8
- 44 InfoCentre C6
- 45 Instructional Technology and Development Center D3
- 46 John Green Food Service Building B6
- 47 Julian Hall D8

- 48 Kaufman Football Building C4
- 49 Kemp Recital Hall F6
- 50 Linkins Dining Center C2
- 51 Manchester Hall D10
- 52 Marian Kneer-Sorball Stadium B2
- 53 McCormick Hall E5
- 54 Metcalf School D5
- 55 Milner Library C7
- 56 Motorcycle Driving Range A1
- 57 Motorcycle Safety Program Office C7
- 58 Moulton Hall D7
- 59 Nelson Smith Building C1
- 60 Office of Residential Life Building E4
- 61 Old Union E7
- 62 Parking and Transportation Building, Bill Waller B7
- 63 Parking Garage, North University Street C6
- 64 Parking Garage, School Street F8
- 65 Parking Garage, South University Street F4
- 66 Parking, Visitor C7 and F4
- 67 Planetarium D8
- 68 Professional Development Annex D3
- 69 Professional Development Building D3
- 70 Quad E6
- 71 Rachel Cooper D4
- 72 Rambo House D5
- 73 Recreation Services Building C5
- 74 Redbird Arena C2
- 75 Ropp Agriculture Building C5

- 76 Schroeder Hall D6
- 77 Science Laboratory Building D9
- 78 Shelburne Apartments B10
- 79 Southbaird Chiller Plant F9
- 80 Stevenson Hall E8
- 81 Stroud Auditorium B6
- 82 Student Accounts Building D2
- 83 Student Fitness and Kinesiology Recreation Building (under construction) E4
- 84 Student Recreation Building C10
- 85 Student Services Building C5
- 86 Turner Hall C3
- 87 University Galleries F5
- 88 University High School B5
- 89 University High School Tennis Courts B5
- 90 University President's Residence A3
- 91 Vetter Building C6
- 92 Viro Center B5
- 93 Waterson Dining Center E10
- 94 Waterson Towers E9
- 95 Weibing Golf Club A2
- 96 Westhoff Theatre F6
- 97 Whitten Hall E3
- 98 Wilkins Hall C2
- 99 Williams Hall E7
- 100 Wright Hall B2
- 101 211 North University Street C5

**BOARD OF TRUSTEES OF
ILLINOIS STATE UNIVERSITY**
Certificates of Participation (Capital Improvement Projects), Series 2011
Distribution List

ISSUER

Dan Layzell
 Vice President for Finance & Planning
 Illinois State University
 Room 302 Hovey Hall
 1100 Office of the Vice President
 Normal, IL 61790-1100
 Phone:.....(309) 438-2146
 FAX:.....(309) 438-2768
 E-Mail: dlayzel@ilstu.edu

Greg Alt
 Assistant VP/Comptroller
 Illinois State University
 Room 302 Hovey Hall
 Campus Box 1100
 Normal, IL 61790-1100
 Phone:.....(309) 438-2143
 FAX:.....(309) 438-2768
 E-Mail: gaalt@ilstu.edu

JoEllen Bahnsen
 Assistant Comptroller
 Illinois State University
 102 Hovey Hall
 Campus Box 1200
 Normal, IL 61790-1200
 Phone:.....(309) 438-5667
 E-Mail: jbahnse@ilstu.edu

Lisa Huson, University Counsel
 208 Hovey Hall
 Campus Box 1010
 Normal IL 61790-1010
 Phone:.....(309) 438-8999
 E-Mail: lhuson@ilstu.edu

ISSUER COUNSEL

Jane Denes
 Posegate & Denes, P.C.
 3150 Roland Ave.
 Springfield, IL 62703
 Phone:.....(217) 522-6152
 FAX:.....(217) 523-4948
 E-Mail: jane@posegate-denes.com

AUDITOR

[TBD]

UNDERWRITER

TBD

BOND COUNSEL

Chapman and Cutler LLP
 111 West Monroe, 13th Floor
 Chicago, Illinois 60603-4080

Andrea G. Bacon, Esq
 Phone:..... (312) 845-3817
 FAX..... (312) 516-1817
 E-Mail: bacon@chapman.com

Sharone Levy, Esq..... (312) 845-3703
 FAX..... (312) 516-3203
 E-Mail: sharone_levy@chapman.com

DISCLOSURE COUNSEL

Chapman and Cutler LLP
 111 West Monroe, 13th Floor
 Chicago, Illinois 60603-4080

Ed Aviles, Esq. (312) 845-3756
 FAX:..... (312) 516-1956
 E-Mail: eaviles@chapman.com

TRUSTEE

U.S. Bank National Association
Corporate Trust Services
209 S. LaSalle Street, Suite 300
Chicago IL 60604

Grace Gorka
Phone:(312) 325-8907
Fax:(312) 325-8974
E-Mail: Grace.Gorka@usbank.com

TRUSTEE COUNSEL

[TBD]

COMMISSION

Commission on Government Forecasting and Accountability
703 Stratton Office Building
401 S. Spring Street
Springfield, IL 62706

Lynnae Kapp, Debt Analyst
Phone:..... (217) 782-5322
E-Mail: LynnaeK@ilga.gov

Dan Long, Executive Director
Phone:..... (217) 782-5322
E-Mail:

FINANCIAL ADVISOR

John S. Vincent & Company LLC
208 South La Salle Street, Suite 1625
Chicago, Illinois 60604

John S. Vincent
Phone:(312) 332-1337
E-Mail: jsvco@sbcglobal.net

Jonathan Mieling, Financial Analyst
Phone:(312) 332-1340
E-Mail: jon.b.mieling@sbcglobal.net

Joan C. Micek, Exec. Asst.
Phone:(312) 332-1336
E-Mail: jmicek@sbcglobal.net

FAX: (312) 332-1351

RATING AGENCIES

Standard & Poor's
55 Water St.
New York, NY 10041

Jessica Lukas, Associate
Higher Education/501(c)3
Phone:(312) 233-7004
FAX:
E-Mail: jessica_lukas@standardandpoors.com

Moody's Investors Service
7 World Trade Center at 250 Greenwich
Public Finance Group – 23rd Floor
New York, NY 10007

Stephanie Woepfel, Associate Analyst
Higher Education & Other Non-For-Profits
Phone:(212) 553-4840
FAX:(212) 298-6889
E-Mail: stephanie.woepfel@moodys.com