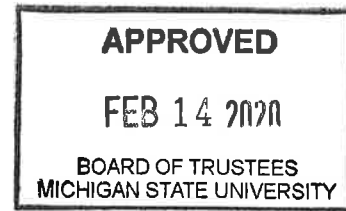



MICHIGAN STATE UNIVERSITY

February 14, 2020



MEMORANDUM

To: Committee on Budget and Finance

From: Samuel L. Stanley, Jr., M.D. 
President

Subject: **Project Approval - Authorization to Proceed**
Munn Ice Arena - Expansion
(*budget adjustment*)

RECOMMENDATION

The Trustee Committee on Budget and Finance recommends that the Board of Trustees authorize the Administration to increase the budget for the Munn Ice Arena expansion.



RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby authorizes the Administration to increase the budget for the project entitled "Munn Ice Arena - Expansion" from \$18,800,000 to \$23,235,000.

BACKGROUND

The Board authorized this project to proceed in June 2019 with a budget of \$18,800,000, which included a contingency of \$1,000,000. The project comprises a 35,000 square foot addition, which creates a new public "front door" to Munn Ice Arena. The project provides gathering spaces outside and around the building, team meeting spaces, and new training facilities. The project features memorabilia displays to embrace and celebrate MSU Hockey history and success, expands and relocates hockey operations and coaching offices from the basement to the renovated first floor, and improves the quality of the fitness and weight facilities in alignment with other recently completed collegiate hockey venues. The project also addresses needed infrastructure and energy improvements.

Budget Adjustment:

Bidding for the project began in summer 2019, with construction commencing in August. The project has encountered several items contributing to the increased cost. Bids have been consistently over estimate and it became clear that the scale of the project, challenges of working through an active hockey season, and conditions inherent in a renovation project impacted pricing more than anticipated. Further, the concealed existing conditions were worse than

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anticipated. Soils were not able to support the addition without a different structural solution, which consumed a significant portion of the contingency. After review, the Administration proposes to increase the existing project budget by \$3,400,000, with an additional contingency of \$210,000. This project will also include \$825,000 in capital renewal.

The Construction Manager is Barton Malow Company. The Architect/Engineer is Rossetti Associates, Inc.

Communication Feedback:

Members of the campus community had opportunities to provide feedback during the planning phase. Any concerns they expressed have been addressed in the project design.

The Campus Infrastructure Planning Work Group supports the recommendation to proceed with the project.

As construction proceeds, the schedule will be shared with the campus community.

Project Cost and Timetable:

The revised budget for this Construction Management project is \$23,235,000 with a revised contingency of \$1,210,000. The project will be funded by gifts to Intercollegiate Athletics, capital renewal, Intercollegiate Athletics, and/or debt financing with debt repayment from the above sources.

Construction is underway, with substantial completion expected in December 2020.

cc: Board of Trustees, T. Sullivan, K. Wilbur, N. Barr, M. Zeig,
B. Quinn, D. Bollman, V. Gore, M. Haas, J. Gaboury, B. Kranz, M. McCabe,
J. Mumma, J. Rayis, L. Adams, K. Oosterhoff, C. Leese, L. Senecal,
A. Haller, B. Beekman