



Faculty Meeting

CIS Update

March 1, 2019

CIS Overview



Objective

- Find a new plan to accelerate and complete the CIS project with available funds and realistic fundraising target.

Process

- Reviewed planned funding sources and structure, and timeline.
- Considered value engineering and merging phases to reduce costs.

Outcome

- Total savings of \$13.3 million in construction project cost.
- Uses the allocation of \$28.2 million of discretionary College resources.
 - Without renovating Old Dana, the College would need \$20 million for deferred maintenance issues.
- **Presented to Board of Trustees at Feb 2019 meeting and received unanimous approval.**

Explored ways to move forward with CIS



Reduce
project costs

Find additional
funding sources

While ensuring Skidmore
financials remain strong

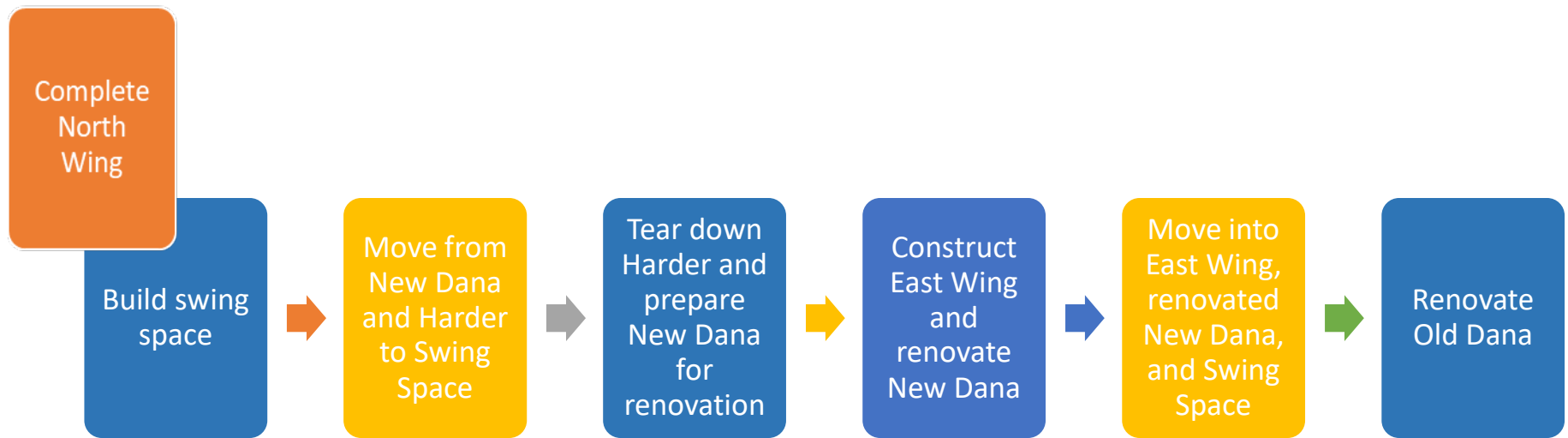


Reduce project costs



High-level sequencing plan

1. Combine East Wing and New Dana into one phase
2. Old Dana is next phase





Swing space

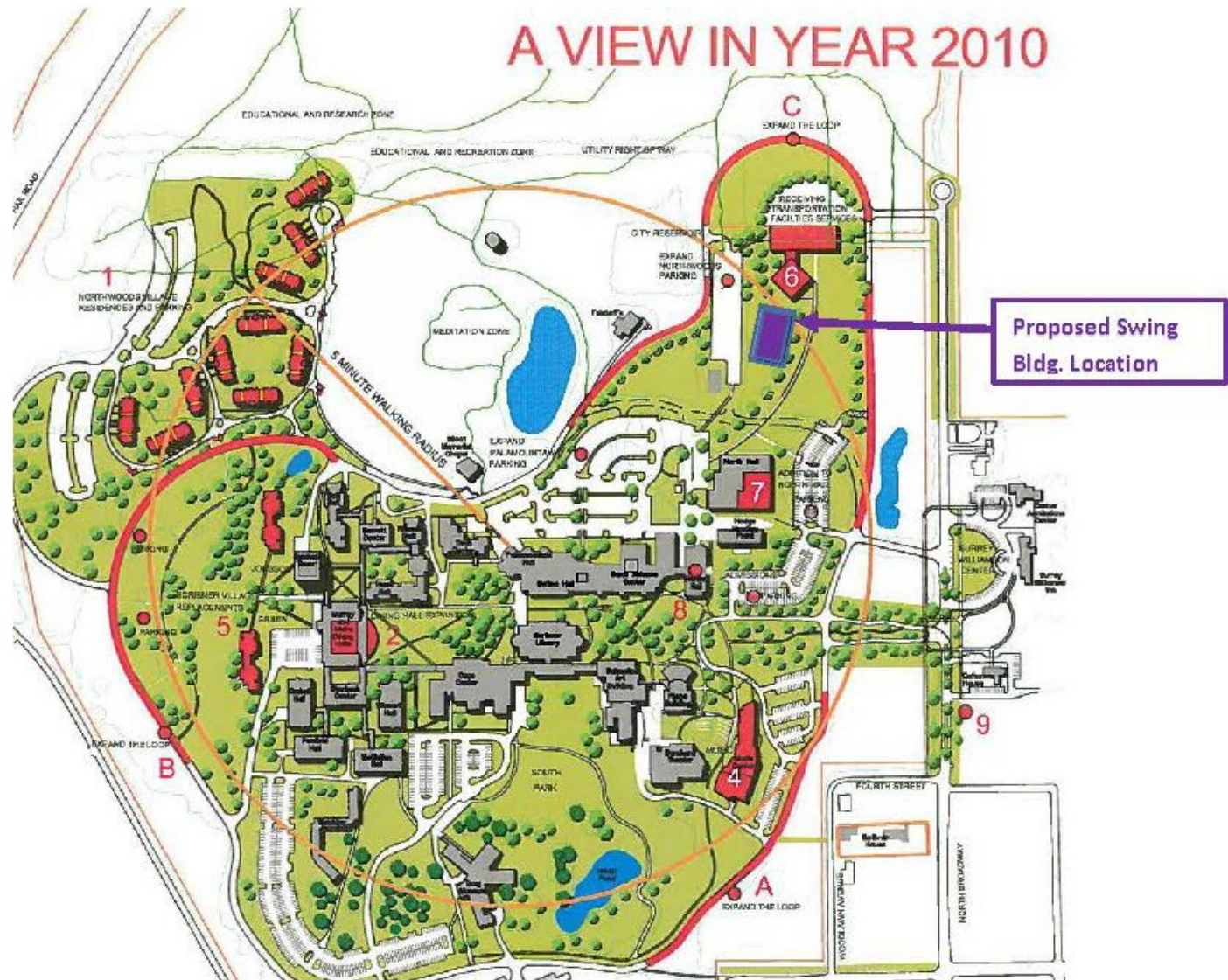
- Space needed when Harder is demolished and New Dana is under renovation
- Earlier plans included leased trailers for about 15,000 sf and use of Hoge
 - Estimated cost was about \$5.5 million
- Current plans require about 40,000 sf
 - Larger than earlier plans due to combining East Wing and New Dana into one phase
 - Estimated cost is about \$4.6 million if constructing building
 - Floorplan not finalized yet
 - Still need to work on final size of building
 - Consider use of Hoge as additional swing space



Swing space (cont'd)

- Recommend constructing a building on site rather than leasing trailers
 - Leasing costs of trailers with 40,000 sf is more than double the cost of owning a swing space building
 - Swing space building can be used for other purposes in the future
- Pay attention to sustainability concerns when constructing swing space building

Swing space site

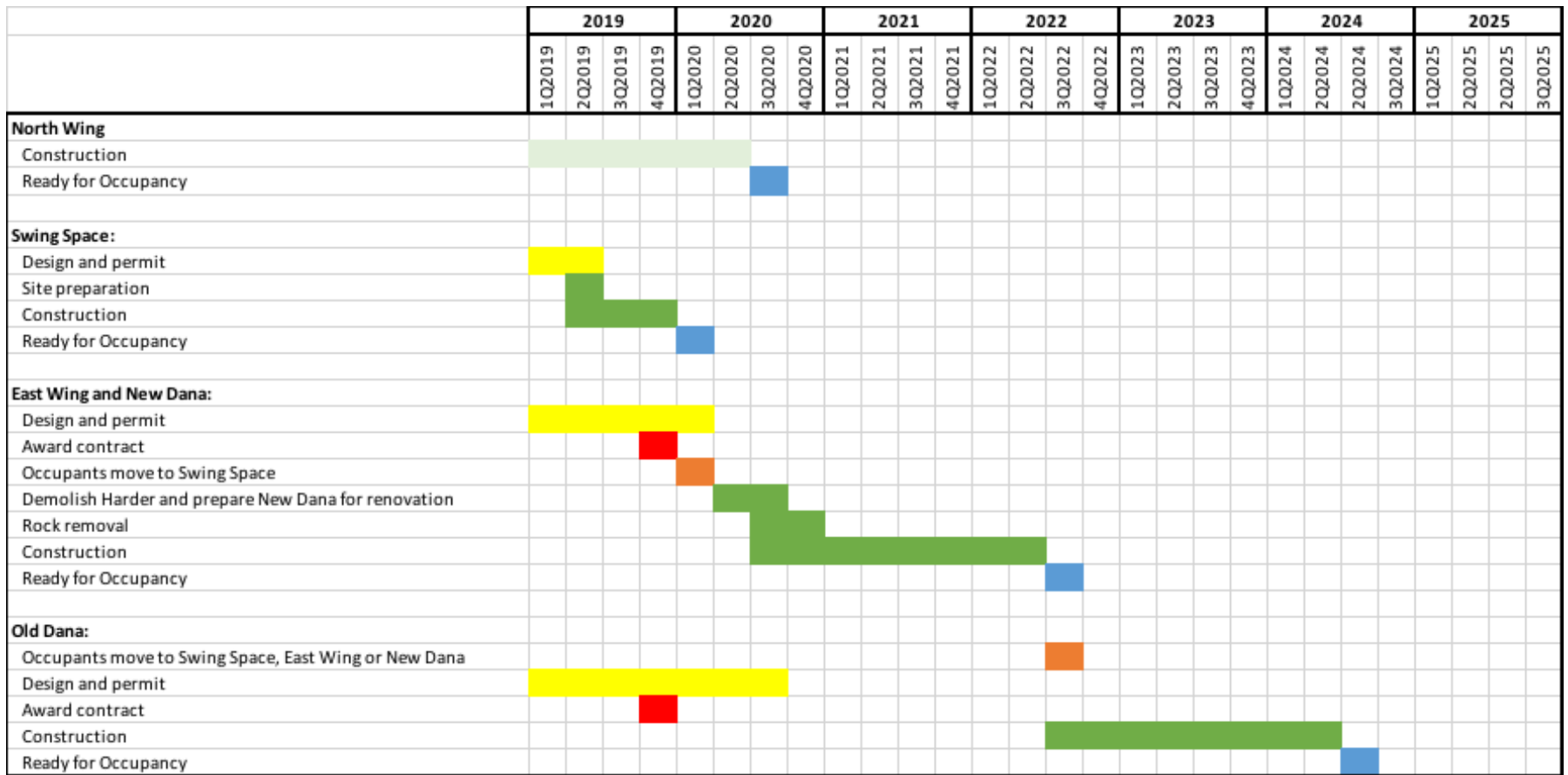


Swing space building



- Pre-engineered building
- Made from steel
- Place on concrete slab
- Placement will utilize buffer of current tree line
- Similar to North Hall

Revised Timeline



Updated Project Cost



| <i>\$ in millions</i> | East Wing & | | | Total |
|---|---------------|---------------|---------------|----------------|
| | North Wing | New Dana | Old Dana | |
| Revised Project Cost: | | | | |
| Construction hard and soft costs including escalation | \$46.1 | \$46.2 | \$22.6 | \$114.9 |
| Value engineering items | -\$0.6 | -\$1.8 | -\$0.5 | -\$2.9 |
| LEED related | \$0.2 | \$0.1 | \$0.1 | \$0.4 |
| Swing space | \$4.6 | \$0.0 | \$0.0 | \$4.6 |
| Total Revised Project Cost | \$51.8 | \$50.2 | \$25.1 | \$127.0 |
| Original Project Cost (excluding endowment) | \$60.2 | \$54.8 | \$25.3 | \$140.3 |
| Projected Savings | \$8.4 | \$4.7 | \$0.2 | \$13.3 |



Find Additional Funding Sources

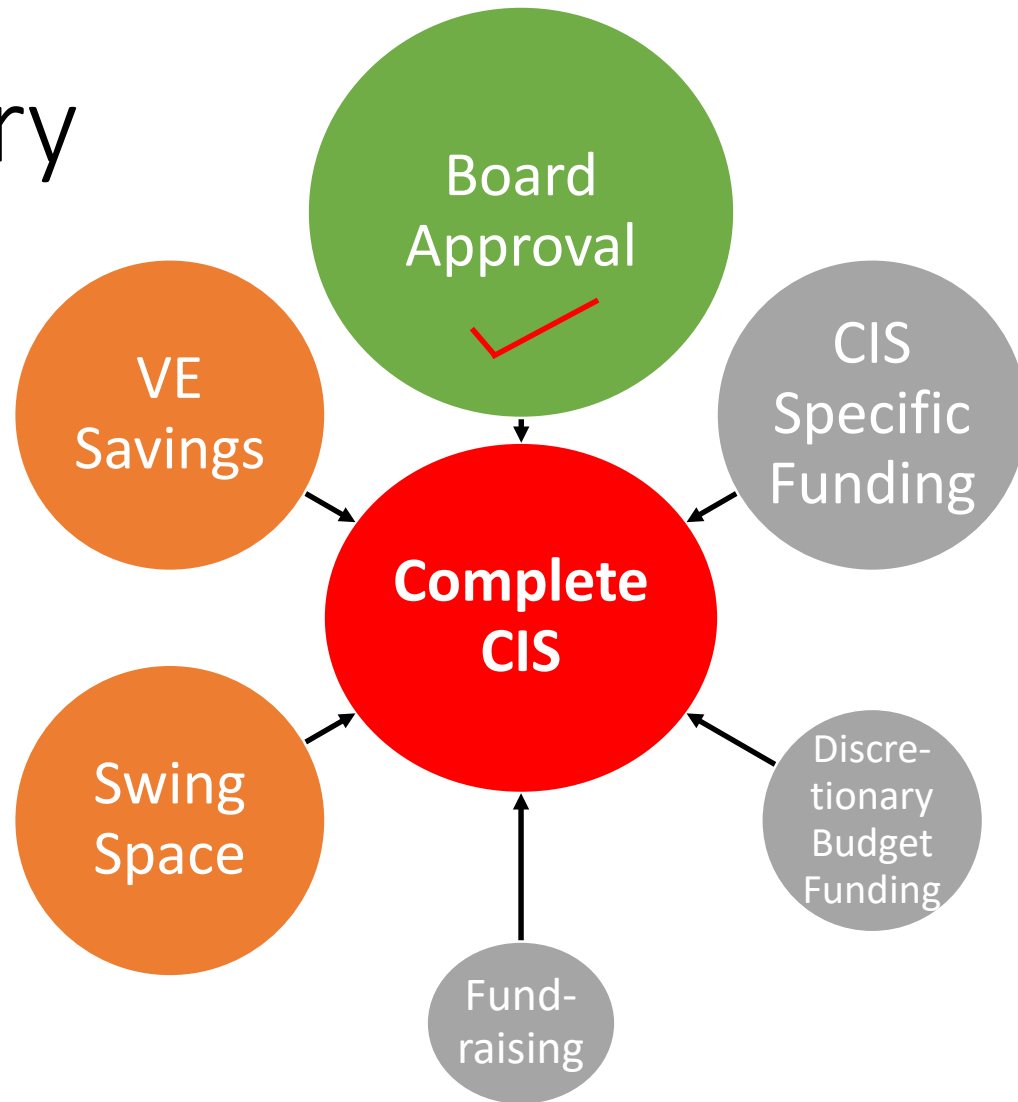
Summary Current and Additional Funding Sources



| | | | |
|---------------------------------------|---------------|--|---------------|
| <i>\$ in millions</i> | | | |
| Current Funding Sources: | | Available Additional Funding Sources: | |
| Borrowing: | | Gifts, Pledges and Related | |
| Net Proceeds of Series 2018 Borrowing | \$35.0 | | \$2.1 |
| Subtotal borrowing | 35.0 | | |
| | | Internal Funds: | |
| Gifts, Pledges and Related | 47.9 | Budgeted debt service | 5.5 |
| | | Annual capital budget | 5.0 |
| Internal Funds: | | FY19 projected operating surplus | 1.7 |
| Investment earnings | 0.9 | Investment earnings and gains, including | |
| Accumulated from budget surpluses | 15.0 | endowment | 13.9 |
| Subtotal internal funds | 15.9 | Subtotal internal funds | 26.1 |
| | | Total additional funding sources | \$28.2 |
| Total Current Funding Sources | \$98.8 | | |

| | |
|--|----------------|
| Total current and available funding sources | \$127.0 |
|--|----------------|

Summary





Next Steps

- Pat Fehling will lead process with User Groups on any design changes related to academic programming.
- Dan Rodecker and Pat Fehling will collaborate with Science faculty and Sustainability Committee on Swing Space and forward a recommendation for President's Cabinet approval
- Explore other value engineering ideas as needed
- Members from the division of Finance and Administration and Academic Affairs will meet regularly to monitor project including timeline and budget
- President's Cabinet, IPPC, and Skidmore community will receive regular updates



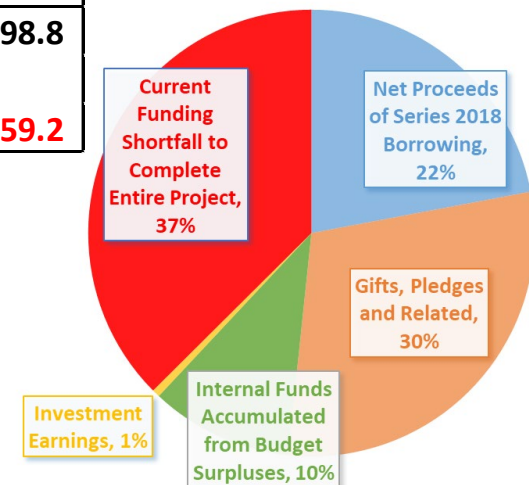
Questions

Current Project Cost and Funding Status

| <i>\$ in millions</i> | North Wing | East Wing | New Dana | Old Dana | Total |
|--|----------------|----------------|----------------|----------------|----------------|
| Total Estimated Cost ⁽¹⁾ | \$ 68.0 | \$ 54.0 | \$ 10.7 | \$ 25.3 | \$158.0 |
| Funding Sources: | | | | | |
| Net Proceeds of Series 2018 Borrowing | \$ 35.0 | \$ - | \$ - | \$ - | \$ 35.0 |
| Gifts, Pledges and Related | \$ 33.0 | \$ 14.9 | \$ - | \$ - | \$ 47.9 |
| Investment earnings | \$ - | \$ 0.9 | \$ - | \$ - | \$ 0.9 |
| Internal Funds Accumulated from Budget Surpluses | \$ - | \$ 15.0 | \$ - | \$ - | \$ 15.0 |
| Total Funding Sources | \$ 68.0 | \$ 30.8 | \$ - | \$ - | \$ 98.8 |
| Current Funding Shortfall | \$ - | \$ 23.2 | \$ 10.7 | \$ 25.3 | \$ 59.2 |

⁽¹⁾ *\$ in millions*

| Estimated Cost: | |
|----------------------------------|----------------|
| Construction hard and soft costs | \$131.4 |
| Cost escalation | 9.1 |
| Endowment support | 17.5 |
| Total Estimated Cost | \$158.0 |





Current Timeline

| | 2018 | | | | 2019 | | | | 2020 | | | | TBD | | | | TBD | | | | TBD | | | | TBD | | | | TBD | | | |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| | 1Q2018 | 2Q2018 | 3Q2018 | 4Q2018 | 1Q2019 | 2Q2019 | 3Q2019 | 4Q2019 | 1Q2020 | 2Q2020 | 3Q2020 | 4Q2020 | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | Quarter | |
| Phases: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| North Wing | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| East Wing | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| New Dana | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Old Dana | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

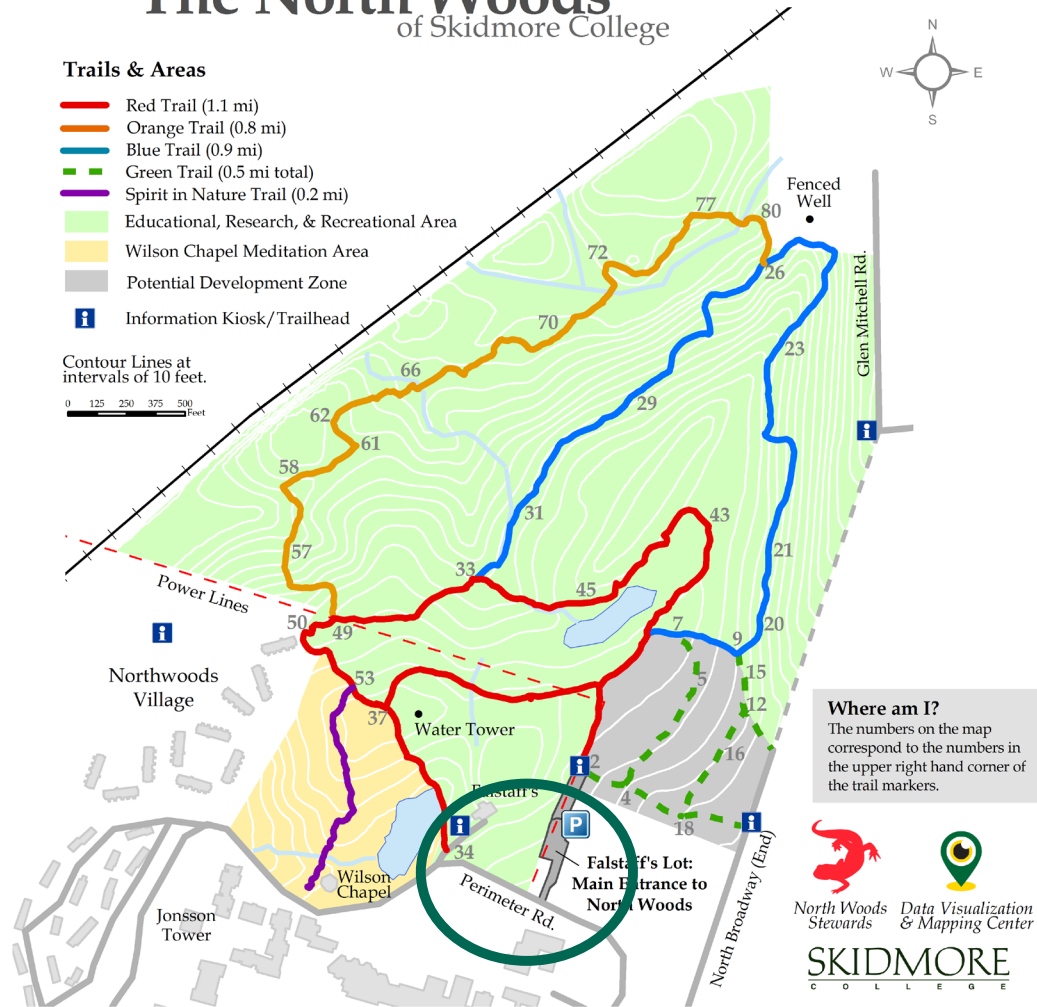
Pause for funding

Pause for funding

Pause for funding

Swing space site

The North Woods of Skidmore College



Work on Project Cost completed to date



- Developed cost estimates that include escalation for all phases of CIS based upon new construction timeline
 - Once commitment is made to general contractor (GC) and subcontractors (subs), risk of escalation passes from Skidmore to GC and subs
- Developed and costed value engineering ideas
 - Maintained LEED certification
- Received proposals from two firms on swing space
- Reviewed incremental operating costs



Value Engineering Options

- Maintain existing layout for half of New Dana
 - Programming was similar
 - Replace HVAC system
- Keep brick and windows in connection between New Dana and East Wing
- Re-mobilization costs for general contractor
- Masonry – alternate bricks, eliminate wall from North Wing to East Wing/New Dana
- Alternate materials while maintaining quality– door frames, ceiling system, ceramic tiles, piping, etc.
- Reduce motorized shades
- Reduce hard-wire connections

Rendering of connection between New Dana and East Wing

Maintaining existing brick wall and
windows of New Dana





Examples of LEED related items

- Enhance lighting system (continue to look at alternates while still maintaining LEED)
- Additional meters
- Bike racks
- Administrative costs to file application