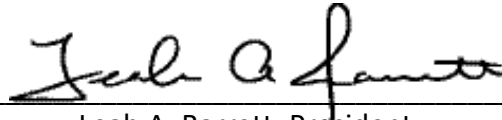


**Monitoring Report
EL-11
March 7, 2023**

I hereby present my monitoring report on the **Executive Limitations Policy EL-11: Construction** according to monitoring report schedule (BPD-04). I certify that the information contained in this report is true and represents compliance with a reasonable interpretation of all aspects of the policy unless specifically stated otherwise.

Signed 
Leah A. Barrett, President

Date 3 March 2023

The President shall not allow construction of a new building or facility or major renovation that is inconsistent with industry standards and grantor expectations, environmentally irresponsible, risk financial jeopardy, or is not aligned with achievement of the Board's Ends.

I interpret "industry standards" to mean:

- a) The [Northeast Guidelines for Building Design](#);
- b) The [AIA Document A201-2017](#) and standard [Supplementary Conditions Addendum](#) entered into with the General Contractor;
- c) The [AIA Document B101-2007](#) master contract entered into with the College Architect, Wilkins ADP;
- d) The final plans and drawings developed by the architects and engineers for any particular project.

I interpret "grantor expectations" to mean any expectations for construction outlined by a donor which meets the Northeast Community College Foundation [Gift Acceptance Procedures](#).

I interpret "environmentally irresponsible" to mean any building constructed pursuant to final plans, specifications and drawings which are not in compliance with all federal, state and local environmental laws, rules and regulations.

“Financial jeopardy” is interpreted in #3 below.

Further, without limiting the scope of the above by the following list,

... the President shall not:

1. Proceed with grant applications, detailed architecture or engineering, procurement of construction services, or real-estate transactions for a capital construction project as that term is defined under the Coordinating Commission for Postsecondary Education Act.

INTERPRETATION

The College is required to submit all proposed capital construction projects which utilize tax funds designated by the Legislature to the Coordinating Commission for review and approval or disapproval. See [https://nebraskalegislature.gov/laws/statutes.php?statute=85-1414\(10\)](https://nebraskalegislature.gov/laws/statutes.php?statute=85-1414(10))

The Coordinating Commission currently defines a “capital construction project” to mean any “proposed new capital structure; any proposed addition to, renovation of, or remodeling of a capital structure; any proposed acquisition of a capital structure by gift, purchase, lease-purchase, or other means of construction or acquisition that will be directly financed in whole or in part with tax funds designated by the Legislature totaling at least the minimum capital expenditure.” See [https://nebraskalegislature.gov/laws/statutes.php?statute=85-1402\(1\)\(a\)](https://nebraskalegislature.gov/laws/statutes.php?statute=85-1402(1)(a))

The Coordinating Commission currently defines “minimum capital expenditure” to mean: a) two million dollars; or b) an incremental increase in appropriation or expenditure of tax funds for operations and maintenance costs of at least \$95,000 in any one fiscal year within a period of ten years. See [https://nebraskalegislature.gov/laws/statutes.php?statute=85-1402\(1\)\(b\)\(iii\)](https://nebraskalegislature.gov/laws/statutes.php?statute=85-1402(1)(b)(iii))

EVIDENCE – the following construction projects are proposed capital construction projects of the College which will require approval by the Board of Governors for submission to the Coordinating Commission:

<u>Proposed Capital Construction Projects</u>	<u>Projected Board Approval</u>
Maclay Building and Library Resource Center – Norfolk Campus	Program Statement Approved June, 2022 Project Approved February, 2023 Construction Bid Documents to be approved April, 2023
Workforce Training Building – South Sioux City Campus	August, 2023

The following construction projects are not considered capital construction projects within the meaning of this policy EL-11, because they do not meet either CCPE threshold. However, the President has made the operational decision to have the following projects considered by the Board.

<u>Proposed Capital Construction Projects</u>	<u>Projected Board Approval</u>
CDL Training Building, Driving Range and Welding Addition – South Sioux City Campus	Project considered and approved February, 2023
Fabrication Lab – Downtown Norfolk	Project considered and approved August, 2022

...the President shall not:

2. Request authorization to proceed with such a capital construction project prior to providing information that demonstrates that such construction is fiscally responsible and aligned with achievement of the Board’s Ends, and without providing data that supports an informed decision by the Board – including but not limited to clearly articulated information about the following:

- **Definition of the project’s purpose and goals.**
- **Definition of the project’s key elements and rationale for their inclusion.**
- **Definition of the project’s strategic context, and contribution to advancing the Board’s Ends or other policies, including the Master Site and Facilities Plan.**
- **Explanation of the project’s priority relative to other capital needs.**
- **Estimates of the capital cost, ongoing operating and maintenance costs, and expected useful life associated with the project.**
- **Explanation of anticipated funding sources and financing mechanisms.**
- **Project timeline.**

EVIDENCE

Maclay Building – Norfolk Campus: see Construction Project Information for [Maclay Replacement Building Project](#) considered and approved by the Board in February, 2023

Workforce Training Building – South Sioux City Campus: Preliminary Construction Project Information Sheet attached. The evidence for this project is in the process of being compiled for further consideration by the Board.

...the President shall not:

3. Request authorization to proceed with a capital construction project without incorporating it into an annual budget or a budget amendment.

EVIDENCE

<u>Proposed Capital Construction Projects</u>	<u>Budget</u>
CDL Training Building and Driving Range and Welding Addition - South Sioux City Campus	ARPA Funds Donations
Fabrication Lab – Downtown Norfolk	ARPA Funds EDA Build Back Better Grant
Maclay Building – Norfolk Campus	Capital Fund
Workforce Training Building – South Sioux City Campus	ARPA Funds Donations

Further information regarding cost estimates and funding sources for the above projects may be found in the [Project Funding Sources](#) document.

...the President shall not:

4. Proceed with any other construction project in excess of \$500,000 prior to having plans, specifications and estimates prepared or reviewed by an architect or engineer.

EVIDENCE – The College Architect is Wilkins ADP, which is responsible for preparation of plans, specifications, and preliminary cost estimates for all construction projects. Wilkins ADP utilizes Olson Engineering for preparation of all structural, civil, mechanical, and electrical engineering plans and specifications. Wilkins ADP has prepared plans and specifications for the following other projects with a project cost in excess of \$500,000 in the past year:

<u>Other Construction Projects</u>	<u>Plans, Specifications and Estimates</u>
Ag Allied Health Building – Drafting Remodel	Completed by Wilkins ADP – scheduled to be put out for bid in March, 2023

...the President shall not:

5. Expend funds on any other construction project prior to having confirmed funding for that stage.

EVIDENCE

<u>Other Construction Projects</u>	<u>Funding</u>
Lifelong Learning Center Selective Renovations – Norfolk Campus	Capital Fund – included as a project in Capital Fund Budget presented to Board of Governors in September 14, 2021
Ag Allied Health Building – Drafting Remodel	Capital Fund – included as project in Capital Fund Budget presented to Board of Governors in February, 2023

...the President shall not:

6. Allow the Board to be without regular reports on a capital construction project’s implementation, including but not limited to:

- **Changes to the anticipated cost of the project.**
- **Changes to the elements/scope of the project.**
- **Changes to scheduled completion, delays or impacts to timelines.**
- **Timely notice of possible cost overruns and planned action to reduce impact.**
- **Changes in contractor(s) and rationale.**

EVIDENCE

<u>Capital Construction Project</u>	<u>Cost Changes</u>	<u>Scope Changes</u>	<u>Timeline Changes/Delays</u>	<u>Contractor Changes</u>
Lifelong Learning Center – Selective Renovations	None	None	None – Substantial Completion Date Scheduled for July 1, 2023	None



Preliminary Project Information Sheet

Project Name: Workforce Training Building – SSC Campus

Brief Description/Summary: Workforce training facility in SSC (complimented by mobile training labs) to include construction micro trades (framing, flooring, roofing, cabinetry), electrical, plumbing, HVAC, robotics, small engines/mechanical foundations.

Purpose/Goals:

1. Provide increased opportunities for underemployed or unemployed individuals seeking economic enhancement and upward mobility.
2. Meet increased employer demand for workers with skilled labor jobs in the area
3. Improve the attainment rate of Northeast’s 20-county service area and the State of Nebraska in an effort to achieve the goal of 70% established by the Nebraska Legislature in LR335 passed in April 2022.

Key Elements/Rationale:

1. Leverage funds from potential additional ARPA funds
2. Collaborate with partnerships such as Nebraska State Homebuilders Association and Nebraska Construction Industry Council

Alignment with Ends:

Global End – Students have learning opportunities that enable them to contribute to the economic and social vitality of the service area at a cost that demonstrates prudent use of taxpayer’s money

End 1 – Students have pathways to achieve academic and/or career goals

End 1.3 – Students develop workforce skills necessary to meet demand of businesses in service area

End 2 Diverse populations of students experience learning and academic success responsive to their unique needs

End 3 Students have access to affordable education and training

Cost Estimate: Currently under development

Capital Cost: \$

Ongoing O&M: in excess of \$95,000

Useful Life:

Equipment/Personnel/Programming:

Priority Relative to Other Capital Needs: No capital fund dollars are anticipated to be used for construction, so there are no competing priorities with other facility needs for which capital dollars are the only funding source available. Additional O&M costs will be needed to add to the overall operational budget.

Funding Source:

New Construction Costs: Additional American Rescue Plan Act (ARPA) funds allocation

Equipment/Personnel/Programming:

Projected Timeline:

Project Milestones	Start Date	Completion Date
Program Statement and Schematic Project Scope Development	January, 2023	August, 2023
Program Statement Considered for Approval By Board of Governors		September, 2023
Program Statement Approved by CCPE		October, 2023
Detailed Design Discussions with Building Users	October, 2023	
Building Documents Completed Detailing Project for Bidding and Construction		
Bidding & Contract Negotiation		
Range/Site Work		
Building Construction		