

MINUTES OF THE SPECIAL MEETING
of the
MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
May 13, 1985

President Mackey called the meeting to order in Room 103 A & B of the Kellogg Center at 5:19 p.m. on Monday, May 13, 1985.

Present: Trustees Dade (arrived at 5:43 p.m.), Lick (arrived at 5:21 p.m.), Pridgeon, Reed, Sawyer, Wilbur and Wilson; President Mackey, Provost Winder, Vice Presidents Breslin, Cantlon, Schonbein, Stewart and Turner; Assistant to the President Carlisle, General Counsel Carr, Assistant Vice President Terry, Associate Vice President Rossiter, Faculty Liaison Group and Student Liaison Group.

Absent: Trustee Owen.

1. Approval of Proposed Agenda

Trustee Reed moved approval of the proposed agenda, seconded by Trustee Sawyer. Approved by a vote of 5 to 0.

2. Construction Bids - Football Indoor Practice Facility

The following bids were received on May 7, 1985 for construction of the Football Indoor Practice Facility attached to the Daugherty Football Building. This facility will be a pre-engineered style building housing a football practice field. The floor covering will be synthetic turf. Also included is an addition to the Daugherty Football Building to expand the training and locker room areas and add additional classrooms. The deductive alternates are as follows:

Alternate No. 1 - Omit the electrical interconnection between the two buildings' transformers which would provide emergency power in the event of a transformer failure.

Alternate No. 2 - Omit the men's locker rooms.

Alternate No. 3 - Reduce the length of the pre-engineered building by 30 feet.

<u>Bidder</u>	<u>Base Bid</u>	<u>Alternate No. 1</u>	<u>Alternate No. 2</u>	<u>Alternate No. 3</u>
The Christman Company	\$2,655,900	\$(23,000)	\$(10,000)	\$(30,000)
Design & Build, Inc.	2,759,000	(25,000)	(21,000)	(69,000)
Granger Construction Company	2,770,000	(24,000)	(20,000)	(45,000)
Clark Construction	2,895,000	(25,972)	(19,125)	(50,867)
O'Harrow Construction Company	2,933,000	(32,000)	(22,000)	(72,000)
Vector Construction, Inc.	2,968,575	(32,000)	(15,000)	(47,000)
R.C. Hendrick & Son, Inc.	3,014,000	(43,000)	(15,290)	(71,417)
Lindblad Construction Company	3,070,000	(36,000)	(28,000)	(70,000)

Notification and/or plans and specifications were sent to the offices of Builders Exchange in Lansing, Detroit, Kalamazoo, and Grand Rapids and Dodge Reports in Detroit, Lansing, Flint, Kalamazoo, and Grand Rapids.

The following minority organizations were also notified: Inner City Business Improvement Forum, Michigan Minority Business Development Council, Michigan Association of Minority Contractors in Lansing, Detroit, and Muskegon, and the Urban League. Advertisements for bids were also placed in the Lansing State Journal, Detroit News, and Grand Rapids Press. No minority or women-owned businesses submitted bids.

The subcontracting goals for this project are three percent Minority Business Enterprises (MBE) and three percent Women Business Enterprises (WBE). The low bidder has certified that it will comply with the requirements. The MBE and WBE subcontractors will total approximately \$159,000.

It is recommended by the professional services contractor, Sims-Varner & Associates, that a contract in the amount of \$2,655,900 be awarded to The Christman Company of Lansing, Michigan, and that the following budget be established.

Contract - The Christman Company	\$2,655,900
Synthetic Turf	486,700
Sims-Varner & Associates	204,000
MSU Construction Inspection	30,000
Landscaping	25,000
Furnishing & Equipment	25,000
Other Planning Costs	15,000
Contingency	185,400
Total	\$3,627,000

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Approved Indoor
Football Practice
Facility
Construction

2. Construction Bids - Football Indoor Practice Facility, continued

This project was estimated at \$4,500,000 in April, 1985 by Sims-Varner & Associates and University staff. The difference between the estimates and actual costs are attributed to an extremely competitive bidding climate, as evidenced by the closeness of the Base Bids, and negotiation of a lower cost than expected for the synthetic turf.

The synthetic turf will be purchased on a negotiated purchase order to the Monsanto Company. This negotiated arrangement is recommended because the Department of Intercollegiate Athletics believes it is very important to practice on the same surface on which home games are played. The Monsanto turf in the Stadium was selected after an extensive study of turf safety characteristics by Dr. Robert Soutas-Little, Chairperson of the Department of Biomechanics.

Temporary funding for this project will be from internal sources during the early stages of construction, until permanent external financing is arranged.

RESOLVED that the above contract be awarded and
project budget be established as recommended.

Approved by a vote of 6 to 0 on motion by Trustee Wilson, seconded by Trustee Reed.

3. Construction Management Agreement - Kellogg Center Phase I

At its November 30, 1984 meeting, the Board of Trustees heard a presentation from Assistant Vice President Robert Underwood concerning the alterations and improvements to the Kellogg Center.

To date, the Board of Trustees has awarded contracts to the Christman Company in the amount of \$1,762,270 and approved budgets in the amount of \$2,173,000 for the completion of Phase I of these improvements.

Major steps remaining to be completed in Phase I involve enlargement and upgrading of 53 guest rooms in order to attract executive and management conferences, life safety alterations, including smoke detectors, improved fire alarm systems and improved corridor lighting, addition of conduit to each hotel room for future use for data transmission and cable television, and the addition of a meeting room adjacent to the second floor elevator lobby.

It is recommended that we engage the Christman Company to act as our Construction Manager to complete the additional portion of this phase and to solicit competitive bids through established procurement procedures.

The reason for making this recommendation is to minimize the number of general and subcontractors in the Kellogg Center, which are disruptive to the on-going teaching and public service activities of the building.

It is recommended that a management fee not to exceed \$45,000 be established with the Christman Company for this phase of the project.

It is anticipated that this portion of Phase I will cost approximately \$1,157,000 to be funded from the Auxiliary Fund.

RESOLVED that the above recommendations be approved.

Approved by a vote of 6 to 0 on motion by Trustee Lick, seconded by Trustee Sawyer.

4. Resolution Concerning U.S. Treasury Department Tax Proposals

WHEREAS, under Treasury Department proposals already presented to Congress, Michigan State University could lose up to \$10.5 million annually in private contributions. One analysis concludes that the proposals would result in a twenty-five percent reduction in private giving to higher education in this country. Even more drastic proposals in Congress would cut nearly forty percent of the private gifts to American higher education.

WHEREAS, this Board views such possibilities as unacceptable in a society that has an honored tradition of support for charitable giving to higher education and to many other segments of society. The Board of Trustees disagrees with a philosophy that charitable contributions should be treated as analogous to special interest "tax breaks."

WHEREAS, it is clear to the Board that advocacy efforts in support of tax deductions for charitable gifts must be undertaken immediately. The societal benefits of tax deductions for private contributions to higher education must be made clear to members of Congress and to the Reagan Administration

Approved Kellogg
Center Phase I
Construction
Manager --
Christman
Company

Approved
Resolution
Against Treasury
Department
Cutting Tax
Deductions for
Charitable
Gifts

continued - - -

4. Resolution Concerning U.S. Treasury Department Tax Proposals, continued

WHEREAS, the Board believes that proposals that discontinue these tax deductions are not plans for tax reform; they are guidelines for ending a proven tradition of support for excellence in our nation.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Michigan State University urges all friends and supporters of the University to become active in alerting their Congressional representatives to the impact on this University inherent in some current approaches to tax reform, with particular attention to recommendations of the U.S. Treasury Department cutting tax deductions for charitable gifts.

RESOLVED that the above resolution be adopted.

Approved by a vote of 7 to 0 on motion by Trustee Wilson, seconded by Trustee Sawyer.

The meeting was adjourned at 5:43 p.m.

Paul Mackey
President

Roger Wilkinson
Secretary