

**SOUTH DAKOTA TECHNICAL INSTITUTE
FACILITY PROJECT APPLICATION**

(Use when applying for funds that are bonded through the South Dakota Health & Education Authority)
(Submit one (1) copy each to South Dakota Department of Education &
South Dakota Health & Education Authority)

Institute Western Dakota Technical Institute **Date** July 7, 2010

Project Title/Programs Phase 1 of Rushmore Campus Building Replacement

Local Board Approval of Initial Project Plan September 17, 2009
(Date)

Anticipated Length of Project 2 ½ Years January 2010 – July 2012
Number of Years **Dates**

Project Need

Intended Use. Western Dakota Technical Institute (WDT) is requesting bonding support of \$11,500,000 in 2009 - 2011 for the Phase 1, 65,000 sq. ft. replacement of the Rushmore building, and 13,000 square foot for a joint Pennington County/Rapid City/WDT library. The Phase I Rushmore addition will house classrooms/labs, bookstore, student services, admissions, recruitment, meeting rooms, corporate education, and the WDT Foundation. The new building will replace the current Rushmore building which has been deemed to be at over 200 percent of life expectancy. In addition to the \$11,500,000 HEFA bonding support for Phase1, a Pennington County/Rapid City/WDT library project is proposed that will be financed with a \$1,000,000 Pennington County bond to create a 13,000 square foot library space.

Programs. The proposed expansion will provide additional needed space in support of the overall institutional mission. The project is designed to provide a new entrance into the school that will feature 5000 square feet of “one-stop-shop” access to Admissions, Recruiting, and Student Services. The current WDT bookstore is insufficient to adequately service the existing student needs, and will assume 3000 square feet of space in the Phase 1 project.. The Foundation and Institutional Advancement offices will also become part of the Phase 1 project, with a projected residency of 1000 square feet. Most importantly, over 55,000 square feet of space is dedicated to classroom space, including space for Computer Networking System programs.

Library. The planned expansion will provide space for a library partnership supporting all WDT programs well into the future, plus provide a community-wide educational resource. The project will recycle space currently utilized for student services and meeting rooms in the Mickelson South building. Approximate footage is 13,000.

Program(s) Wage/Salary and Current and Projected Enrollment. The results of the 2008 wage and salary survey of most recent graduates shows that graduates are earning an average of \$12.42 per hour. The fall 2009 enrollment was 1152 with a projected enrollment of more than 1300 for fall 2010.

Projected Estimated Cost **\$ 13,000,000**

Dollars Requested from Bonding Authority **\$ 11,500,000**

Other Resources for Funding Project **\$ 1,500,000**

Location & Legal description of project

Street Address:

800 Mickelson Drive
Rapid City, SD 57703

Legal description of project:

TRACT A OF MARSHALL SUBDIVISION
LOCATED IN SECTION 5, T1N, R8E, BHM,
RAPID CITY, PENNINGTON COUNTY, SOUTH DAKOTA.

TRACT B OF MARSHALL SUBDIVISION
LOCATED IN SECTION 5, T1N, R8E, BHM,
RAPID CITY, PENNINGTON COUNTY, SOUTH DAKOTA

Preliminary construction draw-down schedule

<i>Date</i>	<i>Amount</i>
May – 2010	\$ 1,045,000 (Design and Owner Costs)
October – 2010	\$ 1,040,000 (Owner and Site Costs)
May – 2011	\$ 1,390,000 (Construction Costs)
July – 2011	\$ 2,780,000 (Construction Costs)
October – 2011	\$ 2,780,000 (Construction Costs)
March – 2012	\$ 3,965,000 (Construction Costs)

Estimated weighted average useful life of Project

TECHNICAL INSTITUTES SERIES 2010 WESTERN DAKOTA TECHNICAL INSTITUTE

Schedule of Project Costs and Average Reasonably Expected Economic Life

<u>DESCRIPTION</u>	<u>(A)</u> <u>Total</u> <u>Costs</u>	<u>(B)</u> <u>Paid by</u> <u>Bond</u> <u>Proceeds</u>	<u>(C)</u> <u>Economic</u> <u>Life in</u> <u>Years</u>	<u>(D)</u> <u>Product of</u> <u>(B) * (C)</u>
Building (new)	5,225,313	5,225,313	40	209,012,520
Building (combination)	500,000		30	
Building (remodeling)	1,000,000		20	
H.V.A.C., fire protection			20	
Mechanical	1,746,562	1,746,562	20	34,931,240
Electrical	1,035,000	1,035,000	20	20,700,000
Equipment - 8 years	776,250	776,250	8	6,210,000
Equipment - 10 years			10	
Equipment - 15 years			15	
Professional Services	1,293,750	1,293,750	20	25,875,000
Builder's Risk			20	
Contingency	1,164,375	1,164,375	20	23,287,500
Excise Tax	258,750	258,750	20	5,175,000
Totals	13,000,000	11,500,000		325,191,260

Average Reasonable Expected Economic Life: Not Less than 28.05 years. (D/B) 28.28

- (1) Computation of economic life as of expected placed in service date does not include period of years (or portion thereof) from the date such assets are expected to be placed in service.
- (2) Facilities given an original economic life of 20 years or longer include only property that constitutes a building or an integral part thereof, which integral part (i) is not removable without damage to such part or the building of which it is a part and (ii) is not to be used with respect to, or designed to permit or facilitate the operation of, any particular piece of equipment or non-real property.
- (3) Not more than 0.5% of the bonded funds may be used to secure the services of an owner's representative.