

MINUTES OF THE MEETING
of the
MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
October 4, 1985

President DiBiaggio called the meeting to order in the Auditorium of the Academic Building at the Kellogg Biological Station at 10:45 a.m. on Friday, October 4, 1985.

Present: Trustees Dade, Lick, Owen, Pridgeon, Sawyer, Wilbur and Wilson; President DiBiaggio, Provost Winder, Vice Presidents Cantlon, Dickinson and Stewart; Acting Vice President and Secretary Wilkinson, General Counsel Carr, Executive Assistant to the President Kimball, Assistant Vice President Studer, Faculty Liaison Group and Student Liaison Group.

Absent: Trustee Reed.

1. President DiBiaggio opened the meeting by expressing appreciation to Dr. Harvey Liss, Mr. Warren Millett and Mr. Michael Baker for their hospitality and the arrangements for the tour of the Kellogg Biological Station which preceded the meeting. He stated that this facility is an excellent example of a land-grant university at work with its strong instructional, research and extension programs. He expressed appreciation to the Kellogg Foundation for its continuing financial support for the Kellogg Biological Station.

2. Approval of Proposed Agenda

Trustee Dade moved approval of the proposed agenda, seconded by Trustee Sawyer. Approved by a vote of 7 - 0.

3. Approval of Minutes of August 9, 1985

Trustee Wilbur moved approval of the August 9, 1985 Minutes, seconded by Trustee Dade. Approved by a vote of 7 - 0.

4. Public Comments

Secretary Wilkinson reported that there were no requests for public comments.

Public
Comments

5. A. PERSONNEL ACTIONS

Change of Status

- (1) It is recommended the title of Secretary of the Board of Trustees be deleted for Roger E. Wilkinson, Acting Vice President for Finance and Operations and Acting Treasurer, effective October 31, 1985.

Personnel
Actions
Change of
Status
Roger E.
Wilkinson

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Wilbur, seconded by Trustee Owen.

- (2) It is recommended the addition of the title Secretary of the Board of Trustees for David L. Kimball, Executive Assistant to the President, effective November 1, 1985.

David L.
Kimball

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Sawyer, seconded by Trustee Lick.

Other Personnel Actions

- (1) It is recommended that an executive management position titled Assistant Vice President for University Relations be established effective November 1, 1985.

Other
Personnel
Actions
Asst. Vice Pres.
Univ. Relations

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Owen, seconded by Trustee Dade.

5. B. GIFT, GRANT AND CONTRACT REPORT

On a motion by Trustee Dade, seconded by Trustee Owen, it is recommended that the Board of Trustees accept the gifts, grants, and contracts as listed in the report distributed with the agenda.

Gift, Grant &
Contract
Report

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Dade, seconded by Trustee Owen.

Bids and
Contract Awards
Installation
of Well #29

5. C. BIDS AND CONTRACT AWARDS

October 4, 1985

(1) Installation of Well #29

The following bids were received on September 5, 1985 for Installation of Well #29. This project consists of drilling a new 16-inch diameter water well, constructing a new well house, installing 2,770 feet of water main, and related mechanical and electrical work. The purpose of this project is to restore lost water production capacity resulting from the deterioration of the older campus wells.

<u>BIDDER</u>	<u>BASE BID</u>
T. A. Forsberg Inc.	\$209,392.50
Cadwell Brothers Const. Co.	231,900.00

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors. No minority or women owned businesses submitted bids.

Due to the specialized nature of this project, it was determined that there were no subcontracting opportunities.

It is recommended that a contract in the amount of \$209,392.50 be awarded to T. A. Forsberg Inc. of Okemos, Michigan and that the following budget be established:

Contract - T. A. Forsberg Inc.	\$209,392.50
Design, Coordination, and Inspection	18,270.00
Contingency	27,337.50
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Total	\$255,000.00

This project was estimated at \$260,000.00 by the Physical Plant Division in May, 1985.

Funding for this project will be from the General Fund.

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

Approved by a vote of 7 - 0, on a motion by Trustee Owen, seconded by Trustee Sawyer.

(2) Renovations in Research Areas of Giltner Hall, Phase II

The following bids were received on September 12, 1985 for Phase II of Renovations in Research Areas of Giltner Hall. This project is a continuation of a program to upgrade the areas of Giltner Hall housing the Departments of Physiology and Microbiology and Public Health. It includes replacement of laboratory benches, sinks, fume hoods, ceilings, lighting, plumbing, ventilation, and electrical systems.

<u>BIDDER</u>	<u>BASE BID</u>
Nielsen Construction Company	\$169,450
Haussman Construction Company	218,300

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors.

The subcontracting goals for this project are 5% Minority Business Enterprises (MBE) and 5% Women Business Enterprises (WBE). The low bidder, Nielsen Construction Company, is a women owned enterprise and they have certified that they will also meet the MBE goal.

It is recommended that a contract in the amount of \$169,450 be awarded to Nielsen Construction Company of Holt, Michigan and that the following budget be established:

Contract - Nielsen Construction Company	\$169,450
Design Consultant - Mayotte, de'Haene & Assoc.	14,500
Coordination and Inspection	7,000
Contingency	17,000
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Total	\$208,000

Renovations in
Research Areas
Giltner Hall,
Phase II

5. C. BIDS AND CONTRACT AWARDS, continued

October 4, 1985

Bids and
Contract Awards
cont.

This project was estimated at \$157,000 by the Physical Plant Division in February, 1985.

Funding for this project will be from General Fund Alterations and Improvements funds.

Renovations in
Research Areas
Giltner Hall,
Phase II cont.

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

Approved by a vote of 7 - 0, on a motion by Trustee Owen, seconded by Trustee Lick.

(3) Spartan Village - Re-Roofing of Seven BuildingsSpartan Village
Re-Roofing
Seven Bldgs.

The following bids were received on September 12, 1985 for Re-Roofing Seven Buildings in Spartan Village. This project replaces the original roofing installed when the buildings were built in 1957-58. The roofs have exceeded their 20-year life expectancy and require replacement. Alternate No. 1 adds two additional buildings to the project scope.

BIDDER	ALTERNATE	
	BASE BID	NO. 1
Sonny's Roofing Company, Inc.	\$111,418	\$ 37,678
MacArthur Roofing & Sheet Metal Co.	145,000	52,000
Hausman Construction Company	184,891	61,643
Newton & Crane Inc.	208,791	69,930
Detroit Cornice & Slate Co., Inc.	213,865	76,330

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors. No minority or women owned businesses submitted bids.

Due to the specialized nature of this project, it was determined that there were no subcontracting opportunities.

It is recommended that a contract in the amount of \$111,418 be awarded to Sonny's Roofing Company, Inc. of Lansing, Michigan and that the following budget be established:

Contract - Sonny's Roofing Company, Inc.	\$111,418
Design, Coordination, and Inspection	11,700
Contingency	11,382
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Total	\$134,500

This project was estimated at \$150,000 by the Physical Plant Division in December, 1984.

Funding for this project will be from the Auxiliary Activities Fund.

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

Approved by a vote of 7 - 0, on a motion by Trustee Wilbur, seconded by Trustees Owen and Sawyer.

(4) Construction of a Dairy Barn at the U. P. Experiment Station, ChathamConstruction of
Dairy Barn at
UP Experiment
Station,
Chatham

The following bids were received on September 12, 1985 for construction of a Dairy Barn at the U. P. Experiment Station, Chatham. This project will provide state-of-the-art facilities for investigative research of dairy herd management, nutrition and environment, in a northern Michigan setting, the result of which will be made available to the dairy industry through the Cooperative Extension Service.

Alternate No. 1 provides a 16-foot addition to the comfort stall barn to accommodate eight additional stalls and related equipment.

Alternate No. 2 provides for the construction of an 80-foot x 130-foot barn to enclose free stalls.

Bids and Contract Awards cont.

5. C. BIDS AND CONTRACT AWARDS, continued

October 4, 1985

Construction of Dairy Barn at UP Experiment Station, Chatham cont.

BIDDER	BASE BID	ALTERNATE NO. 1	ALTERNATE NO. 2
Gary Niemela, Inc.	\$ 591,952	\$ 19,793	\$192,197
Associated Constructors	698,000	16,000	212,000
Ron LaBonte Builders, Inc.	1,000,000	50,000	500,000

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors. The low bidder, Gary Niemela, Inc., is a Women Business Enterprise.

Due to the specialized nature of this project, it was determined that there were no subcontracting opportunities.

It is recommended that a contract in the amount of \$611,745 (Base Bid of \$591,952 plus Alternate No. 1 of \$19,793) be awarded to Gary Niemela, Inc. of Marquette, Michigan and that the following budget be established:

Contract - Gary Niemela, Inc.	\$611,745
Design Consultant - MJK Architects	40,500
Coordination and Inspection	19,225
Contingency	64,530
Total	\$736,000

This project was estimated at \$700,000 by the Physical Plant Division in April, 1985.

Funding for this project will be as follows: \$500,000 from the Agricultural Experiment Station and \$237,000 from an internal loan to be consolidated with the existing internal loan for the Dairy Research and Teaching Center.

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

Approved by a vote of 7 - 0, on a motion by Trustee Dade, seconded by Trustee Owen.

Replacement of Elevator in Olin Health Center

(5) Replacement of an Elevator in Olin Health Center

The following bids were received on September 17, 1985 for Replacement of an Elevator in Olin Health Center.

BIDDER	BASE BID
Haussman Construction Company	\$117,700

Inquiries were made to other potential bidders and it was learned that currently there is a high work volume in the Lansing area. Plus, projects which are primarily elevator work are not attractive to construction contractors. Haussman Construction did receive quotations from three elevator suppliers and, after comparing the bid with the estimate, it was determined that the bid represents a reasonable price.

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors. No minority or women owned businesses submitted bids.

Due to the specialized nature of this project, it was determined that there were no subcontracting opportunities.

It is recommended that a contract in the amount of \$117,700 be awarded to Haussman Construction Company of Lansing, Michigan and that the following budget be established:

Contract - Haussman Construction Company	\$117,700
Design, Coordination, and Inspection	9,300
Contingency	12,000
Total	\$139,000

This project was estimated at \$155,000 by the Physical Plant Division in April, 1985.

5. C. BIDS AND CONTRACT AWARDS, continued

October 4, 1985

Bids and
Contract Awards
cont.

Funding for this project will be from Olin Health Center funds.

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

Replacement of
Elevator in
Olin Health
Center cont.

Approved by a vote of 7 - 0, on a motion by Trustee Owen, seconded by Trustee Dade.

(6) Replacement of Freight Elevators in the Union Building

Replacement of
Freight
Elevators in
Union Building

The following bid was received on September 17, 1985 for Replacement of two Freight Elevators in the Union Building.

<u>BIDDER</u>	<u>BASE BID</u>
Haussman Construction Company	\$159,200

Inquiries were made to other potential bidders and it was learned that currently there is a high work volume in the Lansing area. Plus, projects which are primarily elevator work are not attractive to construction contractors. Haussman Construction did receive quotations from three elevator suppliers and, after comparing the bid with the estimate, it was determined that the bid represents a reasonable price.

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors. No minority or women owned businesses submitted bids.

Due to the specialized nature of this project, it was determined that there were no subcontracting opportunities.

It is recommended that a contract in the amount of \$159,200 be awarded to Haussman Construction Company of Lansing, Michigan and that the following budget be established:

Contract - Haussman Construction Company	\$159,200
Design, Coordination, and Inspection	10,800
Contingency	15,000

Total	\$185,000

This project was estimated at \$165,000 by the Physical Plant Division in February, 1985.

Funding for this project will be from the Auxiliary Activities Fund.

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

Approved by a vote of 7 - 0, on a motion by Trustee Wilbur, seconded by Trustee Wilson.

(7) Construction of an Engineering Research Complex

Construction
of Engineering
Research
Complex

The following bids were received on September 19, 1985 for Construction of an Engineering Research Complex. This project provides for construction of new research space for the College of Engineering. This first phase includes site work, foundations, and construction of a pre-engineered building shell south of the Clinical Center. In the interest of expediting construction, interior building finishes and equipment will be designed and bid in the near future.

<u>BIDDER</u>	<u>BASE BID</u>
Design & Build, Inc.	\$ 912,000
Granger Construction Company	1,000,000
The Christman Company	1,016,975
Parish Corporation	1,049,000
Haussman Construction Company	1,059,000
Clark Construction Co.	1,132,666

Notification and/or plans and specifications were sent to the offices of Builders Exchange and Dodge Reports in Lansing. The following minority organizations were also notified: The Inner City Business Improvement Forum, Construction Association of Michigan, and Association of Minority Contractors. No minority or women owned businesses submitted bids.

Bids and Contract Awards cont.

Construction of Engineering Research Complex cont.

5. C. BIDS AND CONTRACT AWARDS, continued

October 4, 1985

The subcontracting goals for this project are 5% Minority Business Enterprises (MBE) and 5% Women Business Enterprises (WBE). The low bidder has certified its intent to meet the goals. This will result in approximately \$45,600 in subcontracts being awarded to both MBE and WBE.

It is recommended that a contract in the amount of \$912,000 be awarded to Design & Build, Inc. of Lansing, Michigan and that the following budget be established:

Contract - Design & Build, Inc.	\$ 912,000
Design Consultant - MJK Architects	48,000
Coordination and Inspection	25,000
Contingency	120,000
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Total	\$1,105,000

This project was estimated at \$1,345,000 by the Physical Plant Division in June, 1985.

This project was authorized by the Board of Trustees at its June 25, 1985 meeting. Financing arrangements are being finalized in the review of capital projects.

RESOLVED that the above contract be awarded and project budget be established as recommended and that this project be included in the University's 1986-87 capital outlay request to the State of Michigan.

Approved by a vote of 7 - 0, on a motion by Trustee Sawyer, seconded by Trustee Lick.

Other Items for Action
Adoption of 1985-86 Operating Budgets

5. D. OTHER ITEMS FOR ACTION

(1) Adoption of 1985-86 Operating Budgets

Distributed with the agenda are the proposed 1985-86 preliminary General Fund, Agricultural Experiment Station, Cooperative Extension Service, and Intercollegiate Athletics budgets. These budgets were developed in accordance with the guidelines approved by the Board of Trustees at its meeting on August 9, 1985. It is recommended that the budgets be approved as submitted.

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Sawyer, seconded by Trustee Owen.

Establishment of Fund Functioning as Endowment

(2) Establishment of a Fund Functioning as an Endowment

It is recommended that the following fund functioning as an endowment be established and placed in the University's Common Investment Fund:

Department of Food Science and Human Nutrition Discretionary. The purpose of this fund is to invest the \$106,772 gift received from the Herman Blum Trust. The income will be spent according to the donor's designation at the discretion of the Department Chairperson.

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Lick, seconded by Trustee Wilson.

Reports to the Board
Board Committee Reports
Audit Committee

6. REPORTS TO THE BOARD

A. BOARD COMMITTEE REPORTS

(1) Audit Committee

a. Receipt of Annual Financial Report

The Audit Committee met on September 12, 1985 with Arthur Young and Company, the Board's external auditors, to review in detail the results of the audit and financial report for the fiscal year ending June 30, 1985. The committee recommends that the financial report be accepted as presented.

RESOLVED that the above recommendation be approved.

Approved by a vote of 7 - 0, on a motion by Trustee Sawyer, seconded by Trustee Pridgeon.

Receipt of Annual Financial Report

6. A. BOARD COMMITTEE REPORTS, continued

October 4, 1985

(2) Special Trustee Review Committee

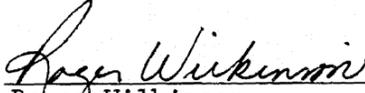
Trustee Dade appointed Trustees Lick, Wilbur, Wilson, and Dade along with ex officio member David Kimball to serve on an ad hoc review committee for the purpose of reviewing the organization and effectiveness of the Board of Trustees. He requested that this committee present a preliminary report at the Board's December, 1985 meeting.

Special
Trustee Review
CommitteeB. PRESIDENT'S REPORT

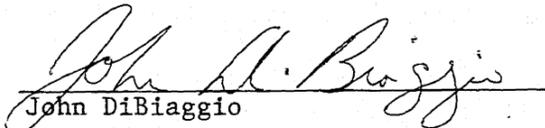
President DiBiaggio stated that he welcomed the return of the students to the campus and that the Trustees should know that the applicant pool for this year's freshman class was the second largest in the University's history. He indicated that we now predict an increase in fall term enrollment. He informed the Board that he visited fall term registration and has met with several students since their return to the campus. He stated that his visits with students, faculty, and staff have indicated a very positive attitude toward the University and that moral was high on campus. He thanked the Board for its participation in the recent Presidential Inauguration. He indicated that he is continuing to work with the Governor's staff to review the University's budget needs.

President's
Report

The Board adjourned at 12:12 p.m.



 Roger Wilkinson
 Secretary of the Board of Trustees



 John DiBiaggio
 President