

USD DakotaDome Building Committee,

At the December 2018 BOR meeting in Aberdeen, the BOR approved the Guaranteed Maximum Price (item 6-k) for the DakotaDome project in Vermillion. At this time, USD also introduced eight possible alternates that would increase the total project cost by \$1,550,000 from \$26,320,000 to \$27,870,000. The eight alternates were:

1. Kitchen Build Out
2. Kitchen Equipment
3. Sound System for the Field
4. Build Out Team Meeting Rooms on the 300 Level
5. Football Locker Room Wall Panels
6. Glass Railings for Suites and Loges
7. Vomitory Ceiling Clouds
8. South Elevator Shaft

This cost increase of \$1,550,000 was originally approved to be funded with private funds. Prior to the BOR meeting, the Building Committee approved the same changes via conference call on November 27, 2018.

Once construction began, we learned that the most efficient and cost-effective time to build a drive/drop off lane and a small parking lot on the west side of the DakotaDome is while the entrances are being built to ensure proper grade and drainage. USD places a higher priority on the drive/drop off lane and small parking lot than alternates 4, 6 and 7 from the list above and are proposing to replace those alternates with the drive/drop off lane and parking lot. The proposed changes bring the new total project cost to \$28,620,286. This is an increase of \$750,286 over the December 2018 approved amount. The total cost is summarized below:

Summary of Total Costs (Proposed)

Dome Construction GMP	\$	20,483,000
Accepted Alternates, Drive Lane & Parking	\$	2,442,643
Outdoor Practice Field	\$	1,968,743
Fees and Other Costs	\$	3,725,900
Total	\$	28,620,286

Funding approved in December 2018 was:

December 2018 Approved

USD Funds	\$	6,419,602
HEFF	\$	5,400,398
Private Funds	\$	14,500,000
Private Funds (for Project Alternates)	\$	1,550,000
Total	\$	27,870,000

We are proposing the fund sources be adjusted to:

September 2019 Proposed Funding

USD Funds	\$	6,419,602
USD Funds (for Accepted Alternates)	\$	2,300,286
HEFF	\$	5,400,398
Private Funds	\$	14,500,000
Total	\$	28,620,286

During the December 2018 meeting, the alternates estimated at \$1,550,000 were guaranteed by the USD Foundation; however, with the changes noted above, USD is proposing local USD other funds for the \$1,550,000 as well as the additional \$750,286, for a total of \$2,300,286. The fund source identified is fund 262074 (USD Capital Projects). This fund has a cash balance of \$4,504,673.

In closing, we are seeking approval to increase the total project cost by an additional \$750,286. This will be covered with USD Other funds. Additionally, we are seeking approval to change the funding sources by \$1,550,000 from private to USD Other funds. Thank you.