

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 13-11

COMMITTEE DATE: October 09, 2012

BOARD DATE: October 16, 2012

APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY STUDENT ACTIVITY PROJECT

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
MARINE DOCK IMPROVEMENTS PROJECT, MASSACHUSETTS MARITIME
ACADEMY

1. The Commissioner of the System of Public Higher Education (the "Commissioner") is authorized and directed in the name and on behalf of the Board of Higher Education (the "Board") to make a written request to the Massachusetts State College Building Authority (the "Authority") that the Authority initiate the project described in EXHIBIT A, attached hereto.
2. Bonds issued by the Authority to finance the projects for which a request is hereby authorized may be issued together with or separately from bonds issued to carry out other projects of the Authority for which the Board authorizes a request.
3. The Commissioner and all other officers of the Board, each acting singly, are authorized to request the Commissioner of Administration to approve in writing the initiation by the Authority of the projects for which a request is hereby authorized, and to do such other things and to take such other action as the officer so acting shall, as conclusively evidenced by the taking of such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.
4. The Board and the Commonwealth of Massachusetts, acting by and through the Board, declare their official intent under §1.150-2(d)(1) and (e) of the Treasury Regulations as follows:

The Board reasonably expects that there shall be reimbursed from the proceeds of bonds issued by the Authority, expenditures (including expenditures made within the last 60 days) temporarily advanced by the Commonwealth (including within such term the Board and the State Universities) for the projects for which a written request is hereby authorized, the maximum principal amount of such bonds expected to be issued, all or a portion of the proceeds of which are reasonably expected to be used for such reimbursement purposes, being \$5,650,000.

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Stephen Lenhardt, Deputy Commissioner of Administration and Finance
Fiscal and Administrative Policy

EXHIBIT A

MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

MASSACHUSETTS MARITIME ACADEMY

MARINE DOCK IMPROVEMENTS

Description of Project

- (a) The carrying out of preliminary work, including obtaining cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide;
- (b) The expansion and strengthening of the marine docks to protect and provide access to the Training Ship Kennedy and other Academy and visiting vessels as described herein including marine docks and other appurtenances primarily for the use by students and staff of the Academy, and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
- (c) The carrying out of improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

Project Overview

- Project is the expansion and strengthening of the Academy marine docks in Buzzard’s Bay, creating a harbor of refuge for the T.S. Kennedy and other ships visiting campus. This work will include the provision of concrete, steel, and/or timber pilings and wave fences and fixed and floating dock sections and associated gangways to provide protection to the T.S. Kennedy from rough seas while she rides at her berth and provide shelter for other Academy and visiting vessels. In addition, once this marine dock system is completed, the MMA student marine recreational facilities can be enhanced through the use of small craft and other marine watercraft located within the protected harbor created by this system.
- The project revenue source is the operating budget of the Academy.

INDICATOR	PRIMARY RESERVE	VIABILITY	RETURN ON NET ASSETS	NET OPERATING REVENUES
Target	25.0%	>1.0	3.0% – 4.0%	2.0% - 4.0%
MMA (FY11)	48.1%	6.7	43.2%	15.3%

Project Budget and Schedule

Budget

Total Project Cost	\$ 5,000,000
Project Fund Deposit	5,000,000
Cost of Issuance/Reserves	<u>650,000</u>
Total	\$5,650,000

Schedule

Design Started	August 2012
Construction Started	August 2013
Occupy Completed Facility	November 2013