

# **ACTION ITEM #11**

WSU Tri-Cities, Wine Science Center  
(Roger Patterson/Dick Pratt/Olivia Yang)

TO ALL MEMBERS OF THE BOARD OF REGENTS

**SUBJECT:** WSU Tri-Cities, Wine Science Center

**PROPOSED:** That the Board of Regents approve the Wine Science Center project with a total budget not to exceed \$23,010,000 and authorize the project to proceed to design and construction, using the Design-Build (DB) process pursuant to RCW 39.10 and further delegate authority to the President or his designee to select a Design-Build contractor and enter into any and all contracts necessary to complete the project, within the budgeted amount.

**SUBMITTED BY:** Roger Patterson, Vice President for Business and Finance

**SUPPORTING INFORMATION:** The WSU Tri-Cities Wine Science Center will be a 28,000 square foot, Leadership in Energy and Environmental Design (LEED) certified facility that includes state-of-the-art research laboratories, a research and teaching winery, a regional and international wine library, classrooms and conference rooms. The research and teaching conducted inside the center will be specific to the challenges and opportunities faced by grape growers and winemakers in the Pacific Northwest and will align with our viticulture and enology programs.

The construction project was originally intended to be managed by the Wine Science Center Development Authority; however, it was determined that greater efficiencies can be achieved by having WSU manage the construction project. The Board of the Wine Science Center Development Authority would continue to provide programmatic oversight of the capital project.

Design-Build was selected as the most cost effective construction procurement method as it will provide budget certainty, an opportunity for design and construction collaboration, and the highest potential for creativity in meeting programmatic requirements.

The site is at the corner of George Washington Way and University Drive in Richland (see ATTACHMENT A).

**Schedule:**

Selection of Design-Building Team	Feb to April 2013
Construction Documents	May to August 2013
Begin Construction	September 2013
Complete Construction	August 2014

**Project Budget:**

Direct Construction (including construction contingency and sales tax)	\$15,556,954
Other Costs (including field and coordination costs, Builders' insurance)	501,198
Professional Design Services	545,000
Project Management/Agency Fee	<u>346,848</u>
Subtotal – Facility	\$16,950,000
Furnishings & Moveable Equip. (includes sales tax)	<u>6,060,000</u>
Total Project Budget	<u>\$23,010,000</u>

**Source of Funds:**

## Facility:

Wine Commission	\$ 7,400,000
City of Richland Sub-Contract (State DOC Grant)	4,950,000
Fundraising - Commitments to Date	1,298,000
Fundraising - Additional Commitments Needed	<u>3,302,000</u> (Note 1)
Subtotal Facility	<u>16,950,000</u>

## Equipment:

EDA Grant	2,060,000
EDA Grant - In-kind Match	2,060,000
Fundraising - Additional Commitments Needed	<u>1,940,000</u> (Note 2)
Subtotal Equipment	<u>6,060,000</u>

Total Source of Funds	<u>\$23,010,000</u>
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Note 1: Of this amount, the development staff believes \$2.3 million is achievable based on current donor prospects. Efforts are underway to close the remaining \$1.0 million gap.

Note 2: Development staff have reviewed the additional equipment needs and the donor prospect list and believe additional cash or in-kind donations for equipment can be raised.

# Attachment A



**BOARD OF REGENTS**  
WSU Tri-Cities, Wine Science Center

**Resolution #130523-453**

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the Board of Regents approve the Wine Science Center project with a total budget not to exceed \$23,010,000 and authorize the project to proceed to design and construction, using the Design-Build (DB) process pursuant to RCW 39.10 and further delegate authority to the President or his designee to select a Design-Build contractor and enter into any and all contracts necessary to complete the project, within the budgeted amount.

Dated this 23<sup>rd</sup> day of May, 2013.

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Chair, Board of Regents

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Secretary, Board of Regents