

daily nebraskan

University to face cold facts on contract penalties

By Rocky Strunk

UNL will lose \$35,000 in contract penalties and an additional \$90,000 in preliminary fees paid for designing a chilling unit for East Campus if the Nebraska Legislature passes its present capital construction bill.

According to Robert Lovitt, assistant vice chancellor for business and finance, a chilling unit (air conditioning system), which would upgrade the present East Campus system, was contracted in November for \$463,000. The university had until Feb. 1 to cancel the order without penalty.

"Because the chiller had number one priority on the Board of Regents capital construction budget request, we thought we had a fairly good chance of it being included in the bill," Lovitt said.

The capital construction bill presently includes renovation of the Temple Theatre and Agricultural Engineering buildings, conversion of Eppley Library at UNO to office space and an animal holding center at the technical agricultural school in Curtis.

The university has until April 30 to make a decision on canceling the chiller or suffer further penalties in addition to the \$35,000.

"Chancellor Roy Young, Vice Chancellor Martin Massengale and myself will meet before Monday to make a decision on the chiller," Lovitt said. "Chances of the legislature including it in their budget are slim and our only alternative would be outside sources to provide funds."

According to Lovitt, even if the chiller was included in the legislature's appropriations bill, it would still be more than \$1 million short of operation.

"The chilling unit is a two year appropriation with the chilling purchased first and the towers, valves, etc. being purchased the next year," he said. "Without the accessories, the chiller is worthless."

The chiller contract calls for delivery by January 1980 with full operation by June of the same year.

Good price

The regents approved the chiller contract last November placing it number one in priority on their budget request to the

legislature.

Lovitt said that the bid was taken at that time because the regents "felt it was a very good price on the chiller."

"With general inflation and the difference in bids, we felt another bid in March or April would be substantially higher," he said.

Although he couldn't indicate the amount that would have been saved by not rebidding, the difference between the accepted bid and the next highest was \$57,000.

Lovitt said he didn't know where the \$35,000 contract penalty would come from if the chiller contract is canceled since it wasn't included in the budget. The \$90,000 spent for preliminary measure of designing the new chilling system was included in this year's budget.

"In my five years experience in budget advising, this is the first year the legislature has totally not responded to a number one priority item," Lovitt said.

Matter of priorities

The items that are included in the present appropriations bill were numbered two, four, five and twenty-one on the

regent's priority budget request. The twenty-first priority is the renovation of the Temple Theatre.

According to Lovitt, the appropriations committee was approached twice on the subject of the chiller. One meeting was devoted entirely to the chiller appropriation.

"We don't know what happened at the appropriations level, but the appropriations committee spends lots of hours in considering our requests and they had to tighten their budget this year," Lovitt said.

Chilling on east campus is decided by priorities that included research and the dental college, according to physical plant director Harley Schrader.

"Buildings such as the plant and veterinary research get top chilling priority followed by the Dental College and Regents Hall," Schrader said. He added that the latter two buildings require cooling because they don't have windows that open.

"We feel that productivity is influenced by conditions in the building and placed personal concerns on a low priority as far as cooling," Lovitt said.

Urgency, low bid hurried construction—Schwartzkopf

By Gordon Jonnson

Giving the go ahead on a project before funds are appropriated is not standard procedure for the NU Board of Regents, some members said Thursday.

Yet last November the regents decided to start construction of an air conditioning unit for East Campus even though funding had not been appropriated by the Nebraska

Legislature. The Legislature, however, took the money for the chilling unit out of the capital construction bill, which it passed Wednesday.

The university could lose \$35,000 in contract penalties and an additional \$90,000 in fees that have already been paid for the designing of the unit.

Regent Edward Schwartzkopf of Lincoln said he did not know where the money would come from to pay the penalty costs because the board has not discussed that possibility.

The regents approved the construction because of the urgency of the situation, he said.

"What happened here is the urgency was so great we had to get it on order," Schwartzkopf said. The construction also was approved because the price of the construction was \$57,000 below other bids, he said.

Schwartzkopf said the regents voted for the construction on the assumption that it would be passed by the Legislature. The regents had the chiller designated as first priority, he said, and first priority items usually are funded.

"I would expect them (the Legislature) to pass the bill as we have prioritized them," Schwartzkopf said.

Regent Kermit Hansen of Omaha agreed with Schwartzkopf by saying he thought

the first priority item would be approved.

The chiller was placed as a first priority because of information they had received citing the need for air conditioning, Hansen said.

One reason air conditioning is so important, Hansen said, is that it cools many of the agricultural research buildings. "I am really at a loss to tell where we failed to get this across to the appropriations committee," he said.

Not only was such action not suspected, but it has not happened in 12 years Schwartzkopf said.

"I cannot recall in my 12 years as a regent ever having to pay a penalty," he said.

Two students cited for arson, cruelty

Two more UNL students have been cited in connection with Friday's early morning bonfire at 16th and R streets.

Michael Alexander, 1433 R St., a freshman was cited by Lancaster County Court, for third degree arson. The arson was classified as a Class four felony because damage costs were over \$100. According to Lt. Marlin Hupka street damage alone was over \$300. Arson conviction can result in a maximum imprisonment of five years and/or up to a \$10,000 fine.

Scott Sinner, 1548 Vine St., a junior was cited for cruelty to animals, a misdemeanor offense punishable by six months in jail and/or a \$500 fine. Sinner, 20, and Alexander, 19, were both released by order of the County Attorney's office.

Three UNL football players were also cited to appear in Lancaster County Court May 1 on the same offense as Sinner.

Paul Jacobsen, UNL police investigator, said his office is still trying to find out where the turkeys came from.



Photo by Mark Billingsley

Everyone had a good time at Thursday's College of Business Administration's Pig and Swig party except the porky fellow who looks like he'd rather be somewhere else.

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