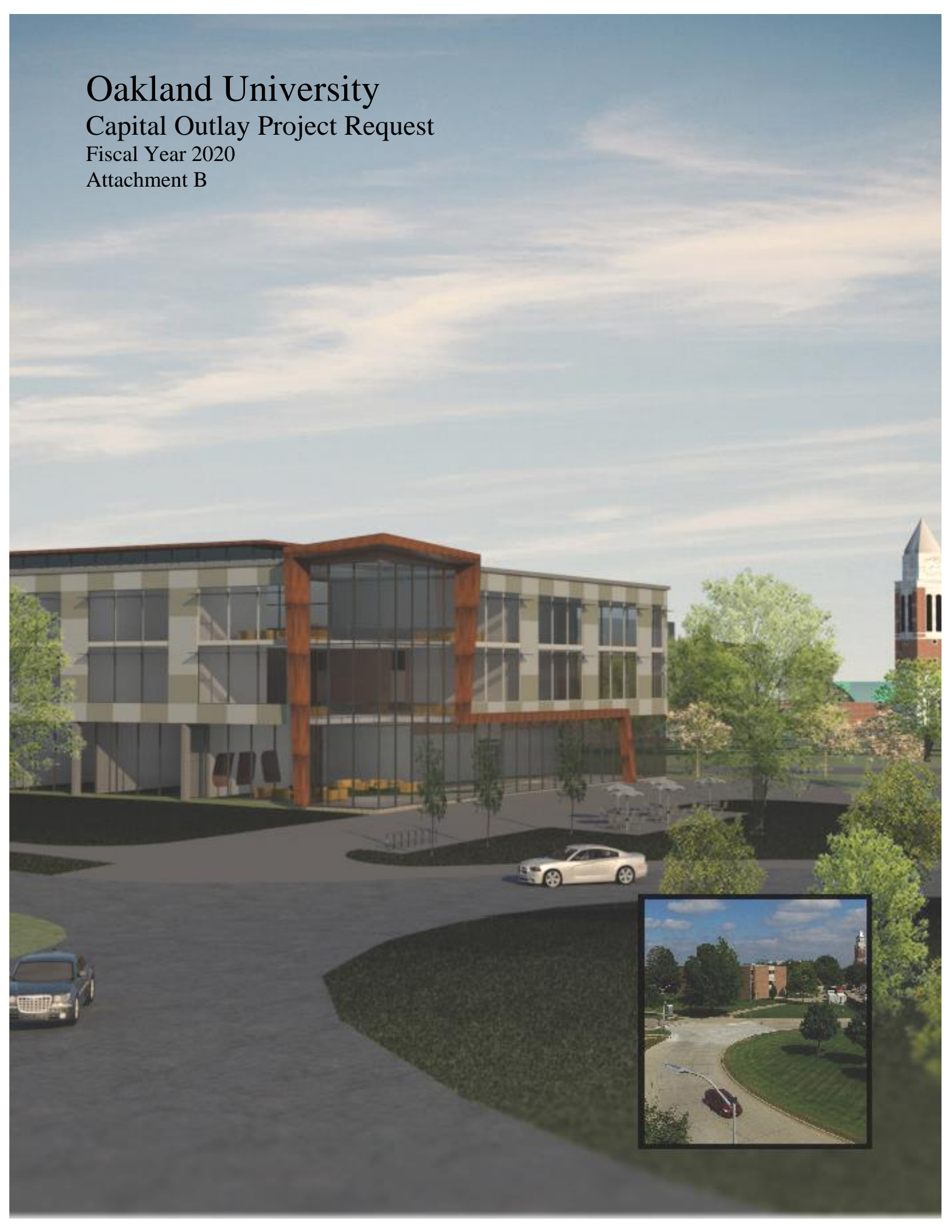


Oakland University

Capital Outlay Project Request

Fiscal Year 2020
Attachment B



FISCAL YEAR 2020

CAPITAL OUTLAY PROJECT REQUEST*Institution Name:* Oakland University*Project Title:* South Foundation Hall Classroom Building Renovation & Expansion for STEM Core Courses*Project Focus:* Academic Research Administrative/Support*Type of Project:* Renovation Addition New Construction*Program Focus of Occupants:* Classroom upgrade & addition for Core STEM classes*Approximate Square Footage:* 55,041 sf of renovation and a 25,000 sf building addition*Total Estimated Cost:* \$40,000,000*Estimated Start/Completion Dates:* Immediate design, construction will start one year after approval*Is the Five-Year Plan posted on the institution's public internet site?* Yes No*Is the requested project the top priority in the Five-Year Capital Outlay Plan?* Yes No*Is the requested project focused on a single, stand-alone facility?* Yes No**Describe the project purpose.**

Oakland University's Capital Outlay Project proposal for 2020 is the transformation of South Foundation Hall (SFH), from our original general-purpose classroom building into a modern building featuring the latest technology equipped teaching and learning classrooms and collaboration spaces, targeted for our growing Science, Technology, Engineering, and Math (STEM), human health and business curriculum. South Foundation Hall, constructed in 1959, is one of the oldest buildings on campus, and has surpassed the service life of the building systems. This proposal will enhance the University's ability to support modern styles of teaching and learning. As reflected in its name, this building has provided a destination for our students to acquire the "foundation" for their professional curriculum. The facility continues to house the core coursework, which is foundation for our degrees that are in the highest demand, such as engineering, health sciences, nursing and business among others.

To date, less than 10% of the existing classrooms have been upgraded to the state-of-the-art style for teaching and learning. The old form of the “sage on the stage” and teacher focused lecture learning has evolved to the much more interactive and successful “guide on the side” and student focused style. The active learning approach is considered critical to student success because it requires that students actively engage with the material and instructor as opposed to passively taking notes. It is becoming an expected pedagogy in Higher Education and has also been widely adopted in K-12 thus incoming students are anticipating a collaborative and interactive style of modern teaching and learning. Incoming students are anticipating a collaborative and blended style of modern teaching and active learning which has been shown repeatedly to enhance student success.

The requested project would completely renovate the existing building and construct a 25,000 square foot addition to house classrooms for freshman and sophomore foundational coursework to provide them a rich educational learning experience. All classrooms and learning spaces would be configured to facilitate engaged learning with flexible layouts, right-size classrooms and spaces, equipped with advanced digital technologies and network communications, to bring multiple forms of media into the learning environment as well as collaborative style furniture. We seek to focus on creating active learning classrooms with immediate interactive communications to enhance student success in critical courses fundamental to progressing successfully into major classes.

However, the classroom experience is not the only determinant of student success. Engagement with support staff when students experience difficulty is another equally important variable. Students in the STEM, health and business fields all have to take courses that are challenging and, if not successfully completed, can derail their educational goals. Research suggests that providing strong support both inside and outside the classroom improves the likelihood of classroom success and ultimately graduation. The South Foundation Hall renovation will include academic support services for first- and second-year students and encourage maximal engagement between students and faculty, especially for teaching and learning foundational courses of STEM. We will include open collaboration areas where students can continue their work and where faculty and advisors can hold open sessions or simply engage with students. Students would be able to receive supplemental assistance, advising, and consultation with faculty and support staff in the same building. Making such services easily accessible, convenient and connected to the STEM, human health and business foundation courses will create a supportive community approach to student learning in

the critical first and second year, leading toward their success in a Bachelor's degree professional program and ultimately their transition into the workforce.

Goal 1 of our strategic plan is student success and we have established aggressive targets for student retention and graduation. To achieve this goal, we must provide the learning environments proven to enhance student success. We have been doing this on a classroom by classroom basis but South Foundation Hall requires more focused and reconstructive attention.

Renovation and expansion to South Foundation Hall is our top priority because:

- **It is transformational** – We can transform the learning environment for thousands of students across the STEM, human health and business curriculums taking required foundational courses critical to their ultimate academic success.
- **It benefits all OU students** since this is our primary classroom building. During the 2015-2016 academic year, almost 12,000 students (or one out of two Oakland University students) had at least one course in South Foundation Hall. This is the most active and occupied building on campus with 16.5% of all course registrations in a course taught in South Foundation Hall (24,879 registrations). As far as 'students in seats', it is the most used building on campus.
- **It will benefit first- and second-year students most.** For example, in 2015-2016, 71% of our freshman enrolled in at least one writing course per university requirements and many of these courses are offered in South Foundation Hall. This class is critical as a prerequisite for upper division courses across campus including writing intensive courses in STEM, human health and business.
- **It will improve efficiency** – The building is at maximum capacity for course scheduling but not seat scheduling; we need to right size the classrooms for the current use as well as make them flexible enough to accommodate changing learning methodologies. Course enrollments have not changed in South Foundation Hall since 2013-2014, because the building is at maximum capacity.
- **It will help us exceed retention and graduation goals** for the STEM, human health and business curriculums by providing onsite support services as well as collaboration space for students to work on team projects and to solve problems. In addition, study areas with appropriate technology will create a synergy among students and motivate them to be on a track leading to success.

The United States Center on Education and the Workforce projected that the United States will fall short by 3 million workers with postsecondary education by 2020 (Carnevale, Smith, Strohl 2013). By intentionally designing this building for

foundational courses, student success services and faculty interaction, we will be able to transform the learning environment to engage students at a critical stage of their transition to higher education, increase retention and ultimately shorten the path to graduation.

Describe the scope of the project.

This project is comprised of a renovation and expansion to South Foundation Hall, originally built as a general classroom building in 1958. The expansion will provide additional classroom spaces, which are crucial to addressing the current severe space shortages as well as to sustain the anticipated growth in enrollment in the STEM and human health areas.

Renovation: The renovation includes complete architectural and infrastructure transformation of the 55,041 square foot South Foundation Hall. Academic space improvements include transformation of existing classrooms and lecture rooms equipped with chairs with one arm that is broadened to serve as a writing surface (tablet-arm), to active-learning classrooms, including updates of furniture, finishes, technology and network communications to improve capacity utilization and flexibility. Classrooms will be “right sized” for smaller and more interactive class sizes and allow us to utilize this important building more efficiently and effectively.

Infrastructure improvements will include replacing original and obsolete building systems such as inefficient HVAC systems, building controls, electrical, lighting, network communications wiring and electronics, plumbing to improve systems reliability, health and safety, the learning environment, air quality, energy efficiency as well as water use reduction. Hazardous building materials, such as asbestos-containing insulation and floor tile, will be properly removed and disposed. Building accessibility and exterior envelope will be addressed to ensure SFH meets current building standards and ADA standards and will function efficiently well into the 21st century.

The building is located in the student center area of campus. The adaptive re-use of the spaces demonstrates Oakland University’s commitment to the success of our students and the continued stewardship of campus assets and funds. In fact, as the building name suggests, this building use will enhance the delivery of courses that build the “foundation” for students to succeed in all curriculum and especially the STEM and human health areas.

Expansion: The proposed 25,000 square foot building expansion will provide a variety of technology-enabled learning environments, including active teaching and learning classrooms and seminar rooms; student support services, collaboration and project space; workspace for both full-time and adjunct faculty. Proposed major spaces include

breakout/seminar rooms, study areas and collaboration space, active learning classrooms, instructional labs, and faculty workspace. Classroom services will be located in the building to improve the operational efficiency of the technology infrastructure and support.

The addition of classrooms will help to satisfy the need for properly sized and configured spaces. Students' schedules can be more easily satisfied to allow the coordination of classes that are required for graduation. This will enhance the potential for academic student success and minimize the frustration of needing class overrides to taking classes that fit into the schedule.

The expansion extends the building towards the main entrance to the campus, making it the welcoming "front door". The current visual presence of the building is showing its age and the project will highlight the entrance during the design of the expansion. University branding will be used to further define the entrance.

Program focus of occupants.

In all of the campus educational offerings, including STEM, human health and business, freshman and sophomore students start their educational pursuits by completing foundational prerequisites. These courses provide the foundation for pursuing professional occupations that will enhance our state and national economy. Successful completion of the prerequisite courses is the first step students must complete in order to enter their chosen field. For example, a student in Health Sciences will complete 60% of their credits in the College of Arts and Sciences. Students in the School of Engineering and Computer Science take nearly 50% of their credits in the College. Introductory courses in writing, math, philosophy (ethics) and science lay the groundwork for success in engineering, healthcare and business. In fact, all students at Oakland University are required to take courses in writing, formal reasoning, science and western civilization delivered by faculty in our departments of Writing and Rhetoric, Mathematics and Statistics, Biology, Chemistry, Physics and Philosophy. This project will truly have a university-wide impact.

The recent-research commissioned by AAC&U, Carol Geary Schneider discovered that employers themselves are asking for greater emphasis on traditional outcomes such as "communications, analytic reasoning, quantitative literacy, broad knowledge of science and society, in addition to field-specific knowledge and skills." They are also asking for graduates with high levels of "global knowledge and competence; intercultural knowledge and skills; creativity and innovation; teamwork and problem-solving skills in diverse settings; information literacy and fluency; and ethical reasoning and decision

making". The modernization of SFH is imperative to achieve the student's success in these academic areas.

Oakland University is dedicated to furthering the success of all of our students. The renovated and expanded South Foundation Hall will house the core prerequisite courses. Students will be able to have a cohort of familiar students and faculty to ease their transition from high school to college and significantly improve their chances for successfully completing their Bachelor's degree studies.

1. How does the project enhance Michigan's talent enhancement, job creation and economic growth initiatives on a local, regional and/or statewide basis?

Approximately 70% of Oakland University undergraduates immediately enter the workforce upon graduation while 30% are admitted to graduate school or commit to military service. Oakland University is proud that nearly 100% of our students who enter the workforce choose to stay in Michigan to live and work.

Oakland University maintains close communication with employers to target student skills that meet employer needs and expectations. Over the last five years the number of students graduating in critical disciplines has increased by 36% overall. Students graduating with degrees in engineering have increased by 116% since 2011. In a recent study conducted by our Career Services department, we learned that the average annual salary of an Oakland graduate is \$49,447. Oakland University is graduating students with a skill set needed to fill state, regional and local high paying jobs.

Whether students strive to be an engineer, a teacher or a doctor, recent surveys of CEOs and business leaders have stated that they are looking for employees who are skilled in written, oral and digital communication and have an in-depth knowledge of their specific field or major. By creating an environment that nurtures first- and second-year students, we lay the foundation for success in their intended majors. By modernizing the facility and its infrastructure to support up-to-date teaching and learning methodologies both in the classrooms and in the collaborative spaces, we will provide our students with the technical and soft skills knowledge demanded by business and industry.

In addition, the South Foundation Hall Renovation and Expansion Project will provide economic benefit to Oakland County as well as surrounding counties through the creation of new construction and skilled labor jobs over three years. It is estimated that

this project will support over 250 jobs in next three years for estimated wages of over \$10,000,000 in the region.

2. How does the project enhance the core academic and/or research mission of the institution?

The core academic and research efforts at Oakland University are supported by funding through DOD, DOE, NIH, and NSF, as well as by many corporations and philanthropic organizations. This project will create learning spaces that will provide students the comfortable environment conducive for learning. By having the modernized facility, we will prepare our students to actively participate in research programs and enterprises in STEM, human health, and business.

The renovation of existing classroom spaces will create flexible, movable, interactive and engaged classrooms and lab spaces with student support services in the same area. In engaged classrooms, students learn to collaborate in teams, to think critically, and to solve problems at the same time they are learning course content. This type of learning also increases student engagement, course success, enhanced retention and ultimately increased graduation rates. Foundational courses can be barriers to students increasing time to degree or leading students to drop out altogether. Our goal is to improve our first-year retention rate from an average of 77% to 83%, and the six-year graduation rate from about 47% to 55% by 2025. This project, with its focus on classrooms and services that focus on student success, will provide the right environment for the students, faculty and staff to work together.

The 2025 Oakland University Strategic Plan first strategic goal is to “Foster student success through a robust teaching and learning environment and comprehensive student services”. Student success indicators include retention and persistence, graduation, and successful career placement. As an institution we have embraced this goal and have provided opportunities for faculty to enhance their teaching skills, created an Office of Student Success, examined our processes to remove barriers to student success, participated with peer institutions from around the nation on efforts to focus on the First-Year Experience, Guided Pathways and Gateways to Completion programs and created our own Second-Year Experience program. We have also made many changes to our core teaching facilities. The renovation of South Foundation Hall to create an academic facility that focuses on the core classes will accelerate our efforts to provide high quality learning environments and other experiences for our students in the STEM, human health and business curriculum. It will also help the university achieve its goals of increasing our retention and graduation rates. Supporting students

through the first two years of their degree studies will enhance their academic confidence, and the successful entrance into their chosen field of study and subsequent graduation.

This building will become a space where students and faculty can join together to provide a culture of belonging. Research shows that a sense of belonging is integral for student success especially for first generation students and students from disadvantaged backgrounds (educationally and socioeconomically).

Oakland University is committed to having a sustainable campus environment. Resource management goals include the efficient use of existing spaces. In the Oakland University Master Plan, developed by Hanbury, Evans, Wright and Vlattas (Hanbury), the classroom utilization analyst noted that our classroom spaces are efficiently scheduled but they are occupied at less than capacity because we do not have the right mix of classroom sizes. The suggestion from our consultants was that we renovate South Foundation Hall, our “ground zero” classroom building, with the goal of improving seat occupancy. When students are overly crowded or when they have too much space, learning suffers. The project will enhance student learning and provide properly configured areas for academic and research pursuits.

3. Is the requested project focused on a single, stand-alone facility?

Yes. This project is focused on a single, stand-alone facility comprised of the renovation of the oldest academic building on campus and a 25,000 square foot building expansion. The existing space would be embedded with state-of-the-art technologies, more efficient fixtures, modern learning environment and finishes that enhance the learning spaces. To help students succeed in their prerequisite classes, spaces and functions would be aligned to create a better synergy for students and faculty, providing better access for collaboration, interaction, and modern active learning.

4. How does the project support investment in or adaptive re-purposing of existing facilities and infrastructure?

South Foundation Hall was constructed in 1959 and was the original location for classrooms to serve the small campus. As the campus grew and diversified we updated classrooms and buildings to accommodate the growth. This building has served the campus well over the years but is in need of more extensive work beyond a typical classroom upgrade. Furthermore, to meet the needs of today’s higher education

standards, we must upgrade the building envelope and infrastructure systems, as well as optimize existing spaces for instructional and support use.

Initially, the projected cost for the construction of a new building was carefully considered. Based on current state and institutional fiscal constraints, it was determined that new construction standalone project was not a viable alternative. Renovation of an existing classroom facility with an expansion is a more cost-effective solution and more environmentally friendly. The renovation work will include installation of an adequately zoned energy efficient heating and cooling system in a space that currently has a 50-year old system with limited zones. Energy savings and occupant comfort will be gained with the installation of high-performance systems throughout.

Utilizing existing square footage by upgrading and repurposing a building is critical to the growth of the campus and demonstrates Oakland's commitment to efficient operations and sustainability. We believe, when possible, existing buildings that are structurally sound should be renovated and modernized to accommodate current academic programs.

5. Does the project address or mitigate any current health/safety deficiencies relative to existing facilities?

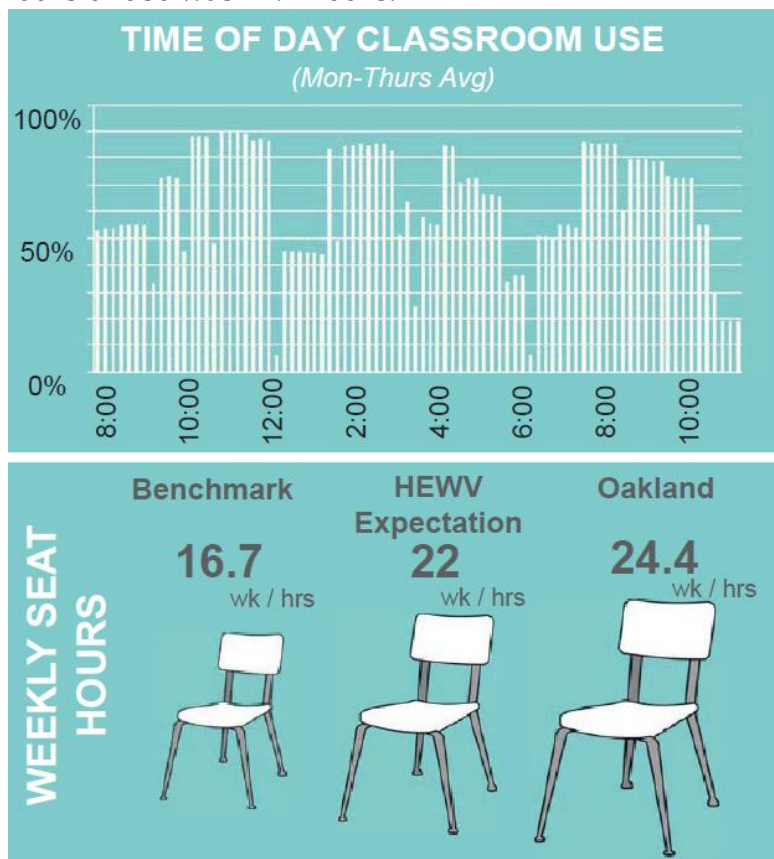
Yes, a primary focus of this capital outlay project is to address all life/safety issues identified in the current facility assessment including removal of asbestos-containing material, improved ventilation for health, updated fire suppression, ADA compliance, and updated exit and emergency lighting, etc. The project will address over \$4 million of deferred maintenance including updates of grandfathered deficiencies that are still in use. This project will reduce the risk of failures for the existing components related to these systems.

One of the high priorities for this project is to make the building friendlier for students and others with disabilities. The building currently has only one service elevator that does break down making upper floors inaccessible to our students in wheelchairs or with mobility challenges. We have heard stories of students carrying a classmate up the stairs when the elevator is not functioning, which is a serious safety concern for both the disabled student and those trying to help him or her.

6. How does the institution measure utilization of its existing facilities, and how does it compare relative to established benchmarks for educational facilities? How does the project help to improve the utilization for existing space and infrastructure, or conversely how does current utilization support the need for additional space and infrastructure?

For the recently approved Oakland University Campus Master Plan, (<https://wwwp.oakland.edu/facilities/campus-master-plan>) classrooms and class laboratories were studied by Hanbury to show the level of use. With an average of 50 hours per week of usage per classroom, there is a current shortage of properly sized and configured classrooms, especially during the high demand class times.

The factors illustrated in the utilization study included the average hours per week of scheduled instructional use for each room, the average hours of scheduled use for each student seat, the percentage of student stations or seats filled when the rooms are scheduled, and the average square feet allocated to the student stations in the rooms. The 124 classrooms that were analyzed averaged 47 hours of scheduled use per week. The classrooms average 18 assignable square feet (ASF) per student station. The average for weekly seat hours of use was 24.4 hours.



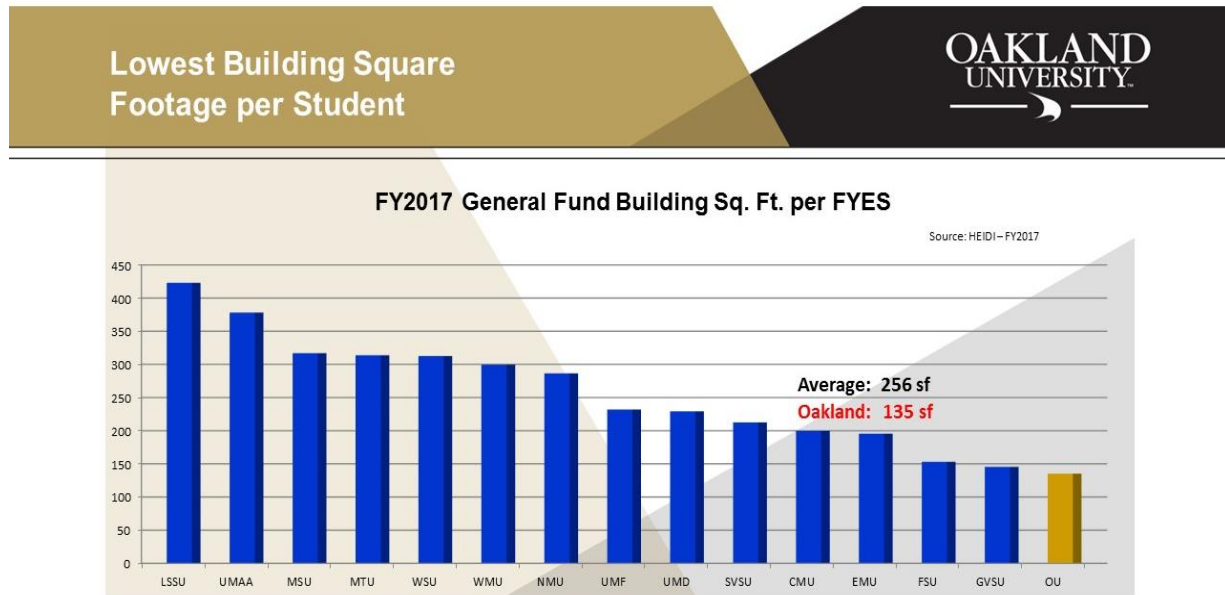
Benchmark data averaging the utilization finding from over a dozen public universities for which the consultant has previously done studies showed the average scheduled hours per week to average 29 weekly room hours (WRH). The average for weekly seat hours is 16.7 weekly seat hours. The benchmark average for percentage of seats occupied is 63%. The average of the benchmarked universities for classrooms is 20 ASF per student station. The expectation for average weekly room hours for similar institutions is in the range of 30 to 35 hours per week. The expectation for weekly seat hours is between 20 and 24. A common expected average for the percentage of seats filled is 65% to 70%. The expected average size of the student stations in classrooms is 18 to 22 ASF.

These findings show that both the average room hours per week of scheduled use for classrooms and the average weekly seat hours at Oakland University is considerably above the benchmarked average. Thus, there is a need for this expansion, which will house new classrooms, collaborative and support spaces and classroom laboratories.

The project will address two major issues. The first issue is addressing our critical need for additional classrooms. We have waitlists to add courses especially at the times our students most want to be in class. If we cannot add the courses students need, they cannot progress in their course of study leading to delays in graduation. The second issue is assuring that we have the appropriate classrooms for the activities in them. With more and more of our faculty and students demanding active learning and the research that says such learning is beneficial, static classrooms holding 75-80 students are not desirable. Our classroom consultant has suggested turning two classrooms into three in order to utilize South Foundation Hall more efficiently.

Without the additional space provided by this project, the University as a whole, will be highly challenged to meet student needs. Oakland has a significant shortage of full-time and part-time faculty offices and instructional areas. We understand that we have received significant support from the state in the past but due to many years of growth we are still trying to catch up so we can serve our students better. Compared to other similar universities and based on the space needs calculations, the University has a long term need for a significant increase of assignable square footage. This project will help relieve our classroom shortage and create collaboration space and faculty offices. The addition of some faculty offices contiguous to classrooms provides students easier access to faculty and improves their success rates.

The following chart compares the area per student for General Fund buildings at all state universities (source FY2017 HEIDI data). At 139 square feet per First Year Equivalent Student (FYES), Oakland University has the lowest value in the State of Michigan.



7. How does the institution intend to integrate sustainable design principles to enhance the efficiency and operations of the facility?

The integration of sustainable design principles to enhance the efficiency and operation of this building include saving energy and conserving resources, potable water use reduction, indoor environment, usage of recycled material, reduction of carbon footprint, and green environment, waste reduction and recycling are the primary objectives for all the construction projects of the university. LEED® Green Building principles (Leadership in Energy and Environmental Design) will be adhered to throughout the design and construction process as well as in post occupancy operation of the facility. Construction specifications will include reduction, reuse, and recycling of construction and packaging materials. Highlights of Oakland University’s sustainability efforts include:

- **Human Health Building:** Our first LEED certified Platinum building as well as the first LEED certified Platinum building in Michigan, located on a university campus. The project was partially funded by the state.

- The Engineering Center: Our second LEED certified Gold building, and another state Capital Outlay funded project, implemented sustainable design principles and an innovative Trigeneration system to not only save and produce energy via two micro-turbines housed inside the building.
- Oak View Residence Hall: Our third LEED certified Gold building and the first LEED dormitory, implemented sustainable design principles and energy reduction strategies, and resulted in a sustainable campus living environment for our students.
- Hillcrest Hall: Oakland's most recently completed residence hall is also LEED certified Gold.
- Energy Performance Contracts: Oakland University completed various projects under the agreement of "Guaranteed Minimum Savings" in the last several years, including optimization of three chilled water plants and replacement of lighting for energy savings in various buildings.
- Sustainable Best Practices: Oakland University implemented sustainable best practices in the daily operation and maintenance of the facilities including green cleaning as well as landscaping.
- Replacement of older building equipment and systems, some dating from the 1950s. Upgrades include high-efficiency HVAC, lighting and plumbing systems and reducing the load on the older campus-wide heating and cooling infrastructure.
- Update to University standard occupancy-based controls to reduce heating, cooling, ventilation and lighting needs on a room-by-room level.
- Design the building envelope to minimize energy use and take advantage of passive energy reduction strategies.
- Exploit energy savings from newly installed co-generation system at the central heating plant. The co-generation system is currently saving the University more than \$1.2 million annually.

The above actions and commitments demonstrate Oakland University's philosophy to adhere with sustainable design principles. Oakland will continue its sustainable design practices commitment for the proposed Capital Outlay project. We will transform an energy inefficient building into an energy efficient building meeting at least LEED Silver standards. These include but are not limited to an efficient HVAC system, LED light fixtures, improve on indoor air quality, low Volatile Organic Chemicals (VOC) paint and finishes, recycled content in flooring materials and other interior finishes,

integration of natural day lighting, high efficiency equipment, digital automatic building controls, waste reduction and recycling, low flow plumbing fixtures, etc.

The following projects are intended to be implemented during a major rehabilitation of the building:

Building Structure/Envelope:

1. Replacement of roof
2. Structural repair
3. Replace sealant
4. Replace building envelope

Interior/Accessibility:

5. Replace ceilings
6. Replace floor panels and tiles
7. Upgrade toilet rooms accessories

HVAC/Controls/Energy:

8. Replace pneumatic controls with Direct Digital Controls (DDC)
9. Replace enthalpy control for air-side economizer
10. Add interlock Building Management System (BMS) with space thermostats
11. Add CO2 sensors and demand-controlled ventilation
12. Replace supply air diffusers
13. Add control system router
14. Replace outdoor air monitoring station
15. Replace airflow measurement devices
16. Add airflow-measuring stations
17. Provide return air system to classrooms
18. Replace Thermafuser system with Variable Air Volume (VAV) boxes
19. Install new mixing box at each Air Handling Unit (AHU)
20. Replace split system for elevator machine room

Piping/Plumbing:

21. Replace heating hot water heat exchanger
22. Replace High Temperature Hot Water (HTHW) valve
23. Convert secondary heating hot water system to variable volume
24. Radiant ceiling heating system
25. Replace hot water recirculating pumps
26. Upgrade to low flow fixtures
27. Convert to automatic devices
28. Replace backflow preventer

Fire/Life Safety/Health:

29. New fire sprinkler system
30. Update fire alarm system
31. Upgrade toilet room ventilation

Electrical/Lighting:

32. Replace bus
33. Replace distribution power panel
34. Replace wiring
35. Replace receptacle panels
36. Replace lighting panels
37. Replace lighting with LED light fixtures
38. Replace transformers

Information Technology:

39. Upgrade information technology systems

Elevator:

40. Modernize elevator cab

8. Are matching resources currently available for the project? If yes, what is the source of the match resources? If no, identify the intended source and the estimated timeline for securing said resources.

Yes. Upon receiving the State funding approval, Oakland University plans are in place to immediately issue bonds to provide the required match. Oakland University has **existing** budget available to service the debt for the University’s portion of the project at no incremental cost to students.

9. If authorized for construction, the state typically provides a maximum of 75% of the total cost for university projects. Does the institution intend to commit additional resources?

Yes. Oakland University is committed to providing the 25% required match, \$10 million, to the total estimated project cost of \$40 million and all operating costs.

10. Will the completed project increase operating costs to the institution? If yes, provide an estimated cost (annually, and over a five-year period) and indicate whether the institution has identified available funds to support the additional cost.

The South Foundation Hall Renovation Project is **expected to reduce operating costs of the existing spaces** due to significant infrastructure improvements and energy efficient upgrades. Based on collected and projected data, the utility costs for the current square feet will lower from \$2.55 per square foot to \$1.73 per square foot (see chart below) for South Foundation Hall. Meanwhile, upgrades to the existing mechanical systems will resolve deferred maintenance concerns for equipment dating nearly 50-years old.

	South Foundation Hall		55,041	SF	
	Current	Current	Future	Future	Estimated
	\$ per SF	Amount	\$ per SF	Amount	Savings
<i>Electric</i>	\$1.44	\$79,038	\$1.00	\$55,041	\$23,997
<i>HTHW</i>	\$0.75	\$41,215	\$0.40	\$22,016	\$19,199
<i>Water</i>	\$0.37	\$20,365	\$0.33	\$18,164	\$2,202
Total	\$2.55	\$140,618	\$1.73	\$95,221	\$45,397

Operating costs for the enlarged building will increase due to an increased building area. Operating costs will be funded by a combination of campus wide cost containment initiatives, and reallocation of existing budgetary resources.

Project Annual and 5-Year Operating Budget (25,000 sf)

	\$ /sf	Cost
Plant Engineering	0.04	\$1,000
Custodial Cleaning	1.40	\$35,000
Bldgs. & Grounds	1.00	\$25,000
Plant Maintenance	0.21	\$5,250
FM Administration	0.02	\$500
Skilled Trades (persons)	2	\$195,000
Purchase Utilities	1.73	\$43,300
Security		\$15,000
Insurance		\$10,000
Annual Service Contacts		\$80,000
Year 1 Total		\$432,000
Year 2 (2% increase)		\$440,640
Year 3 (2% increase)		\$449,450
Year 4 (3% increase)		\$462,900
Year 5 (3% increase)		\$476,700
Total for 5 Years		\$2,261,690

11. What impact, if any, will the project have on tuition costs?

None. This project would NOT cause a tuition increase. As stated in No. 8, budget exists to cover Oakland University's costs of this proposal.

12. If this project is not authorized, what are the impacts to the institution and its students?

The consequences related to not providing state support for this facility will result in a diminished quantity and quality of instructional space as well as collaborative learning spaces, which will be impacting directly on retention, development and success. We are currently struggling to meet the demand for classrooms for the entire University, including the School of Engineering and Computer Science, where we are experiencing explosive growth. Our ability to serve these and other students at the university will be greatly challenged if we are unable to complete this project. Current findings show a need for 41,000 ASF of classroom space. Despite good maintenance practices, the condition of South Foundation Hall would continue to deteriorate and require increased investment to resolve deferred maintenance without improvement in academic spaces. Most of the spaces would provide much less of an active learning environment than prospective students have experienced at the local high schools resulting in Oakland University being much less competitive in recruiting students, especially in the STEM, human health and business disciplines.

The lack of state funding will require Oakland University to continue to use the limited deferred maintenance funding to address the current maintenance issues. Currently, there is a deferred maintenance backlog of over \$4 million. It is anticipated that the work will need to be conducted in smaller increments over a ten-year period. Consequently, a greater amount of the repair projects will need to be financed by increasing tuition and there is an increased possibility of costly emergency repairs.

13. What alternatives to this project were considered? Why is the requested project preferable to those alternatives?

Oakland University recently completed and approved a 10-year campus master plan to address growing enrollment, increasing on-campus residents, changing teaching, learning and research needs and how the only public four-year university in Oakland County would respond to those needs. The master plan evaluated ideal building locations and prioritized projects to meet critical needs.

The top priorities listed were to increase academic space on campus and to provide relevant 21st century active learning environments. Several locations for the academic spaces were proposed, including the selected site. Subsequent to the master plan, several alternatives were evaluated and abandoned in favor of this proposed renovation/expansion project.

A new facility, located at the northeast corner of campus was considered and was rejected due to high construction costs, utility costs and remoteness from the majority of students. A new standalone facility adjacent to South Foundation Hall would have been compromised due to space limitations. An addition to Varner Hall, the largest classroom building on campus, was considered in the past but was cost prohibitive at approximately three times the cost of this proposal.

This renovation/expansion project is preferable for multiple reasons – building condition and classroom space being the two most important. South Foundation Hall is the original classroom building, a primary instructional facility designed for a different era and different academic needs. While improving academic program space, this project resolves much needed building system upgrades and over \$4 million of deferred capital renewal. Regardless of any approach the University selects to meet academic space needs, the mission-critical South Foundation Hall will need renovation to remain functioning.

South Foundation Hall is centrally located near the library, student union and admission office building, with vehicle parking and easy access for students, faculty and visitors. The campus master plan proposes to recast this part of campus as a more pedestrian-friendly, community-focused space, increasing the importance of this building for both academics and community engagement.

