

**APPROVAL FOR INCREASED COSTS OF SOUTH FOUNDATION HALL AND
AUTHORIZATION TO COMPLETE RENOVATION AND EXPANSION**
A Recommendation

1. **Division and Department:** Interim Vice President for Finance and Administration and Facilities Management Department.

2. **Introduction:** In December 2018, the Governor of the State of Michigan signed a Line Item Appropriations for Fiscal Year 2018-2019, Senate Bill No. 601 granting Oakland University Planning Authorization for the South Foundation Hall (SFH) Renovation and Expansion project (Project). Programming and planning of the Project is to be paid for from university resources. The total authorized project cost is \$40,000,000 with a state share of \$30,000,000 and a university share of \$10,000,000.

The primary purpose of this project is to renovate and expand South Foundation Hall into a modern general-purpose classroom building, serving the entire university and providing as many classrooms as possible. These learning environments will be right-sized for modern, flexible teaching modes with seat counts that are in line with typical section sizes.

The Project will provide 47 general-purpose classrooms of varying sizes as well as a mix of collaboration spaces. Located at the front of campus, this 87,000 gross-square-foot building will create a compelling first impression for visitors and students, moving classrooms out of cramped, closed off spaces into flexible, technologically advanced, energy efficient and safe spaces well connected to nature and daylight.

After the University received approval from the State of Michigan, State Budget Office (State) to proceed with Programming and Schematic Design, Stantec was selected through a competitive bid process to provide architectural and engineering services for the project on April 8, 2019.

The Construction Management firm of Frank Rewold and Sons was selected to provide Pre-Construction and Construction Management Services on August 12, 2019.

The Programming and Schematic Design for the Project has been developed based on discussions between the architect, construction manager, Facilities Management and stakeholders, including the Provost and Registrar's Office, Classroom Support, and Campus Police.

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The project was placed on hold by the State of Michigan during the COVID19 Pandemic. Oakland received approval from the State to move forward with the project on 10/08/2021.

As a result of the construction delays and current market conditions, the latest project cost estimates including adequate contingencies exceed the prior approved budget by \$4,200,000 and a project budget increase is requested.

3. Previous Board Action: On October 8, 2018, The Board of Trustees (Board) approved the submission of the Fiscal Year 2020 Capital Outlay Project Request to the State of Michigan for the renovation and expansion of South Foundation Hall.

On April 8, 2019, The Board approved Stantec as the architectural firm for the Project.

On August 12, 2019, the Board approved the hiring of the Construction Management firm, Frank Rewold and Sons, for the Project. At the same meeting, the Board approved the issuance of General Revenue Bonds, Series 2019. The University's portion of the project funding is included in the Bond.

On October 14, 2019, the Board approved the Schematic Design of the South Foundation Hall Renovations and Expansion.

4. Budget Implications: Based upon the Planning Authority, bonds were issued to fund the \$10,000,000 University share of the Project. There is existing budget available to service the debt for the University share of the Project. The additional cost increases of \$4,200,000 will be funded from supplemental State funding or University reserves.

5. Educational Implications: The project is comprised of a renovation and expansion to South Foundation Hall, originally built as a general classroom building in 1959. The expansion will increase the number of right-sized classrooms from 37 to 47, which is crucial to addressing the current severe space shortages. The project would completely renovate the existing building and construct an approximately 37,000 square-foot addition to house classrooms for freshman and sophomore foundational coursework. The primary purpose of this project is to renovate and expand South Foundation Hall into a modern general-purpose classroom building, serving the entire university and providing as many classrooms as possible.

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As our main classroom building, South Foundation Hall serves students from all majors, including those in our growing healthcare, business and STEM disciplines. The foundation courses taught in this building to first and second-year students includes writing, languages and mathematics. Renovating SFH supports Goal 1: Student Success of the Oakland University Strategic Plan. This project complies with the Oakland University Master Plan, reduces a portion of our deferred maintenance obligations, and addresses issues with building efficiency, while creating much needed student space and modern classrooms.

6. Personnel Implications: Incremental South Foundation Hall maintenance personnel will be identified based on needs and integrated into the management and operations of the existing building. Based on the estimated square feet for the addition, it is estimated that 2 Custodians and 1 Skilled Trades worker will be required to operate the facility. The exact staffing type and skills required will be determined following construction and occupancy.

7. University Reviews/Approvals: This recommendation was formulated by the Interim Associate Vice President for Facilities Management and was reviewed by the Interim Vice President for Finance and Administration and President.

8. Recommendation:

RESOLVED, that the Board of Trustees approves the project budget increase of \$4,200,000, for a total budget of \$44,200,000 for the South Foundation Hall Renovation and Expansion project; and, be it further

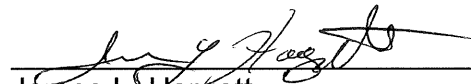
RESOLVED, that the Board of Trustees authorizes the President, the Interim Vice President for Finance and Administration, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the South Foundation Hall Renovation and Expansion project and the ongoing administration of the Project; and, be it further

RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

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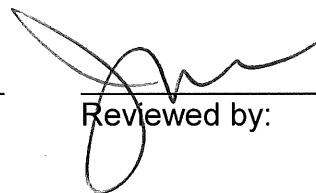
9. Attachments:

Submitted to the President
on 2/3, 2022 by


James L. Hargett,
Interim Vice President for Finance and
Administration

Recommended on 2/4, 2022
to the Board of Trustees for Approval by


Ora Hirsch Pescovitz, M.D.
President


Reviewed by: 02/03/22