

SOUTHERN STUDENT HOUSING COMPLEX-
CONSTRUCTION MANAGER
A Recommendation

1. **Division and Department:** Student Affairs Division, Chief Operating Officer, University Housing, and Facilities Management.
2. **Introduction:** On-campus housing demand has continued to grow as a result of enrollment growth, student recruitment outside Oakland and Macomb counties, two professional school affiliations, and significant increases in Honors College students whose scholarships allow them to live on campus.

The most recent University Housing project, Oak View Hall, was completed in August 2014 and was 100% occupied for Fall 2014. For the Fall 2015 semester, University Housing's 2,700 beds were overprescribed, as evidenced by 93 students being lodged in an off-campus hotel; 200 students on a waiting list, and many single occupancy rooms being used as double occupancy rooms. As a strategic priority to positively impact enrollment, retention, student success in regards to graduation and academic performance, additional on-campus housing is recommended. This recommendation is consistent with the campus master planning effort currently underway, as well as the recent housing and parking study that was commissioned in 2015. Both the study and the master planning analysis suggested that Oakland University (University) consider a residential zone on the south side of campus that would complement the residential community to the north. Available land for future housing growth and the potential to create specific living/learning environments for the academic campus core were cited as major reasons for locating housing in this area.

On December 2, 2015, the Board of Trustees (Board) approved Neumann Smith as the architectural firm for the Southern Student Housing Project (Project), and the University is now soliciting contractors to provide Construction Management (CM) services.

Four firms responded to a widely distributed and advertised CM Request for Proposal (RFP). The Project was defined in the RFP as follows:

- *As the University transitions from a commuter campus to a residential campus, the need for affordable on-campus housing and dining facilities continues to grow. The proposed facility will consist of approximately 750 beds. The principal target population will be sophomore and junior students. The units must include generous living space for double occupancy (approx. 325-350 sq. ft.), in-room bathroom and closet space. Limited single occupancy opportunities shall be built into the plan to accommodate staff, ADA, and other issues. One or more centralized laundry rooms and full kitchens (for occasional public use) appropriate to the design of the overall facility. All units must include an area for a small refrigerator/freezer, microwave, small sink and short counter space. Equipment and supplies that are operational in nature will not be handled by this*

contract. All units must include individually controlled central heat and air conditioning. Noise attenuation will be an important component in the design of the facility. The design must include a mix of small and large public meeting spaces within the facility with the intent to draw residents out of their living spaces and accommodate a large number of residents for meetings, if necessary. Administrative/service/US mail space will be required in the facility along with live-in professional staff living space. The building(s) must have a masonry exterior and must have a minimum life expectancy of 50 years. The facility will include a dining facility that will ultimately accommodate 600 residents, students and staff. The dining area may have an initial seating capacity of less (number to be determined as part of this work), with the remaining area utilized as temporary storage, classroom, or other ancillary use. The Project will also include 200 seats of general purpose classrooms space.

- The Project size is estimated to be over 220,000 square feet. Construction cost is estimated to be approximately \$65,000,000. The total budget for this Project shall not exceed \$77,000,000, inclusive of all design, site development, and construction costs, permitting, technology, furniture, fixtures, equipment, and landscaping. The University requires the Project to be designed utilizing sustainable design principles and construction practices culminating in LEED Gold certification. All costs associated with this requirement shall be included in the Firm's proposal. Current Project details are attached for reference (Attachment A) including room and board rates, occupancy, demographics, room types, etc. Preliminary investigation indicates that existing utilities in the area will support the Project requirements. All connections to utilities will need to be made as part of the Project, as utilities are not stubbed to the site. All tap fees are to be included in the Project cost. Subsurface investigation is underway and a report will be made available to the selected Firm. A boundary and topographic survey will also be made available to the selected Firm.*

A Committee was established to review the proposals. The members of the Committee were as follows:

Glenn McIntosh, Vice President for Student Affairs
Jim Zentmeyer, Director of University Housing
Terry Stollsteimer, Associate Vice President for Facilities Management
Steve Zmich, Director, Capital Planning and Design
Marie Michalowski, Senior Project Manager, Capital Planning and Design
Judy Burton, Buyer, Purchasing
Paula Reyes, Purchasing Director

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Three firms were short listed and invited to participate in an interview with the Committee. The interviews confirmed the qualifications of each firm, their understanding of the Project scope, schedule, and cost. Reference checks were performed and were positive for all three firms.

Based on a thorough review and evaluation of all proposals, the Committee recommends that Rewold and Son be engaged to provide CM services for the Project, for a total CM fee not to exceed \$4,096,477, which includes a 15% owner controlled contingency. Rewold has proven itself as a successful construction partner on several major projects at the University including Oak View Hall, the University's most recent housing complex. This 504 bed facility was delivered one month early and within budget. Rewold's qualifications proposal and interview for the current housing project was thorough and engaging. In addition, of the three firms interviewed, Rewold's fee proposal offered the best value to the University.

3. Previous Board Action: On December 3, 2012, the Board authorized the last housing expansion of 504 beds, known as Oak View Hall, opening in Fall 2014. On September 28, 2015, the Student Housing Planning Update was presented to the Facilities Committee. The Facilities Committee directed the administration to issue an RFP for design services or an alternative structure for the Project. On December 2, 2015, the Board authorized the hiring of Neumann Smith to be the Architectural firm.

4. Budget Implications: Debt service and associated operating expenses will be budgeted in the annual University Housing auxiliary budget that derives its revenue primarily from student room and board charges.

5. Educational Implications: The ratio of on-campus beds to student enrollment is highly correlated with institutional retention and graduation rates. Students who reside in campus housing have a greater sense of community and, thus, become more fully engaged in academic, student, and residential life opportunities. Added housing will also enable the University to become more geographically diverse and attractive to high achieving students who have many higher education alternatives.

6. Personnel Implications: New housing will be fully integrated into the management and operational infrastructure of the existing Housing Department organization with appropriate staffing increases.

7. University Reviews/Approvals: This recommendation was formulated by the Director of University Housing and the Associate Vice President for Facilities Management, and reviewed by the Housing RFP Committee, Chief Operating Officer, and the President.

8. Recommendation:

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute a construction management contract with Rewold for the Southern Student Housing Complex; and, be it further

RESOLVED, that the total cost for all construction management services for the Housing Project will not exceed \$4,096,477, which includes a 15% owner controlled contingency; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Chief Operating Officer, 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 Housing Project and the ongoing administration of the Housing 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; and, be it further


RESOLVED, that consistent with Board of Trustees policy, the schematic design, and bond documents will be presented to the Board of Trustees for approval prior to proceeding with construction and bond issuance.

9. Attachments:


- A. Summary of Southern Student Housing Project Construction Manager Proposal Pricing.

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Submitted to the President
on 2/18, 2016 by

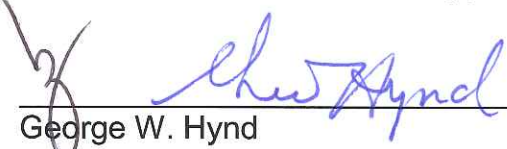


Glenn McIntosh
Vice President for Student Affairs



Scott Kunselman
Chief Operating Officer

Recommended on 2/18, 2016
To the Board of Trustees for Approval by



George W. Hynd
President

**Summary of Southern Student Housing Project
Construction Manager Proposal Pricing**

Construction Management Firms	Bid	Contingency	Total
Rewold	\$3,556,477	\$540,000	\$4,096,477
Granger	\$3,807,205	\$540,000	\$4,347,205
Christman	\$3,948,385	\$540,000	\$4,488,385