

**PUBLIC UNIVERSITY
NONINSTRUCTIONAL CAPITAL PROJECT APPROVAL**

Submitted for: Action.

Summary: This item recommends approval of the following public university noninstructional capital projects:

Southern Illinois University

Carbondale

Security Camera System	\$ 750,000
Automatic Sprinkler System	7,750,000

Edwardsville

University Center Bookstore Renovation	\$ 1,600,000
Student Academic Success Center	16,600,000
Student Fitness Center Expansion	10,550,000

Action Requested: That the Illinois Board of Higher Education approve the noninstructional capital projects described in this item.

STATE OF ILLINOIS
ILLINOIS BOARD OF HIGHER EDUCATION

**PUBLIC UNIVERSITY
NONINSTRUCTIONAL CAPITAL PROJECT APPROVAL**

At its September 20, 2007 meeting, the Southern Illinois University Board of Trustees approved five noninstructional capital projects presented to them for consideration. Overall, the projects detailed in this item cost \$37.25 million and enhance student services and address various health, life and safety issues on the Carbondale and Edwardsville campuses. Southern Illinois University now seeks IBHE approval of these projects.

<u>Institution/Project</u>	<u>Total Estimated Cost</u>
Southern Illinois University Carbondale	
1. Security Camera and Access Control Systems – Residence Halls	\$ 750,000
2. Automatic Sprinkler System Installation – Residence Halls	7,750,000
Southern Illinois University Edwardsville	
3. Morris University Center Bookstore Renovation	\$ 1,600,000
4. Student Academic Success Center	16,600,000
5. Student Fitness Center Expansion	10,550,000

Project Descriptions

1.) Security Camera and Access Control Systems Installation (SIUC) - To enhance security and reduce key replacement costs, Southern Illinois University Carbondale plans to install security cameras and an electronic access control system at 11 Thompson Point residence halls. The University has used cameras to deter inappropriate behavior and to aid criminal investigations in other residence halls. The Department of Public Safety strongly recommends that security cameras be installed and operable in Thompson Point. The electronic access aspect of the planned project would make it possible to deactivate lost key fobs and reissue a new card or fob in a very short period of time.

This installation project will be completed in three phases: phase one will install the safety and security enhancement systems for Steagall, Pierce, Brown, and Bowyer Halls during 2008; phase two will complete Smith, Abbott, Kellogg and Warren Halls during 2009; and phase three will complete Bailey, Baldwin, and Felts Halls during 2010. During each planned phase, the installation work take place from May to August. The residence halls at Thompson Point were built between 1956 and 1962, feature 671 rooms and 1,198 beds, and account for 316,765 gross square feet of space.

The cost of this project is estimated at \$750,000, with an expected increase in the annual operations and maintenance cost of approximately \$5,000. Funding for the budget will be

provided through the issuance of revenue bonds anticipated in April 2008. A detailed financial plan was developed which reflects the projected operating performance of the Carbondale Housing unit. With a term of 15 years and a rate of 5.25 percent, the annual debt service payments for the \$750,000 financed will be \$70,750. This debt service payment will be repaid with SIUC Housing Operation Funds. It is anticipated that a one-time increase in room and board rates of approximately 2.75% will be needed to cover the debt service payment for the installation of security camera and access control systems at Thompson Point (project 1) and the installation of automatic sprinkler systems and related upgrades at Thompson Point and University Hall (project 2 see below). Fiscal year 2009 rate increases will be submitted to the Board of Trustees for approval in April 2008 as part of the annual fee review process. The projected percent increases for FY09, FY10 and FY11 are: 6.5 percent, 6.5 percent, and 5.0 percent, respectively.

This project is part of the University Housing Safety/Security Enhancement Plan that was approved by the SIU Board of Trustees at their meeting on November 10, 2005. This noninstructional project was approved by the SIU Board of Trustees at its September 20, 2007 meeting.

2.) Automatic Sprinkler System Installation at Thompson Point and University Hall Student Residence Hall Facilities (SIUC). Southern Illinois University Carbondale plans to install automatic sprinkler systems and provide upgrades to the water distribution systems and fire alarm systems in twelve residence halls located at Thompson Point (11) and University Hall (1). This project is necessary to enhance other student safety measures and comply with House Bill 4361 which mandates that sprinklers be installed in all dormitories (residence halls) by 2013. To date, sprinkler systems have been installed in the three high-rise residence halls: Schneider, Mae Smith, and Neely. University Housing is now ready to proceed with the project to install the automatic sprinkler systems and associated upgrades in the facilities at Thompson Point and University Hall.

This installation project will be completed in three phases: phase one will initiate the design and installation of the systems for Steagall, Pierce, Brown, and Bowyer Halls to occur during 2008; phase two will complete Smith, Abbott, Kellogg and Warren Halls during 2009, and phase three will address Bailey, Baldwin, and Felts Halls and University Hall during 2010. During each planned phase, the installation work take place from May to August. The residence halls at Thompson Point were built between 1956 and 1962, feature 671 rooms and 1,198 beds, and account for 316,765 gross square feet of space. University Hall, built in 1965 and featuring 239 rooms and 361 beds, counting for 85,601 gross square feet of space.

The cost of this project is estimated at \$7,750,000, with an expected increase in the annual operations and maintenance cost of approximately \$12,000. This project cost estimate includes consideration of the need to replace site water distribution system, installation of fire pumps to improve pressure, and the replacement of four of the eleven fire alarms at Thompson Point. Funding for the budget will be provided through the issuance of revenue bonds anticipated in April 2008. A detailed financial plan was developed which reflects the projected operating performance of the Carbondale Housing unit. With a term of 15 years and a rate of 5.25 percent, the annual debt service payments for the \$7,750,000 financed will be \$725,250. This debt service payment will be repaid with SIUC Housing Operation Funds. As previously mentioned, a one-time increase in room and board rates of approximately 2.75% will be needed to cover the debt service payment for the installation of security camera and access control systems at Thompson Point (project 1) and the installation of automatic sprinkler systems and related upgrades at Thompson Point and University Hall (project 2). Fiscal Year 09 rate increases will be submitted to the Board of Trustees for approval in April 2008 as part of the annual fee review process. The

projected increases for FY09, FY10 and FY11 are: 6.5 percent, 6.5 percent, and 5.0 percent, respectively.

This project is part of the University Housing Safety/Security Enhancement Plan that was approved by the SIU Board of Trustees at their meeting on November 10, 2005. This noninstructional project was approved by the SIU Board of Trustees at its September 20, 2007 meeting.

3.) Morris University Center Bookstore Renovation (SIUE). Southern Illinois University Edwardsville plans to remodel the entire 10,067 gross square feet of the University Center Bookstore and its storage area. This renovation project will address insufficient lighting, update fixtures, and provide better compliance with ADA guidelines by incorporating a more open sales floor concept. Improvements will include new wall coverings, ceiling tiles, floor treatments, signage, display fixtures, updated technology, and a fire suppression system. The Morris University Center Bookstore opened in 1967 and has had only one minor renovation in 1993.

The total project cost is estimated at \$1.6 million and will be funded from Morris University Center reserve funds for repairs, replacement and renovation. No changes to the operating and maintenance costs have been identified and this project will have no impact on student fees.

During the planning phase for this renovation project, the University has kept the Morris University Center Student Advisory Board Students updated and has solicited their input on a regular basis. The Advisory Board has been involved in determining how the Bookstore would look and will continue to be involved in future design meetings. Students on the Advisory Board fully support the renovation and Student Government representatives also endorsed the project in August 2007. Planning for this project was approved by the SIU Board of Trustees at its January 11, 2007 meeting, and at its September 20, 2007 the Board of Trustees gave their approval to proceed with the project.

4.) Student Academic Success Center (SIUE). Since the opening of the first residence hall at Southern Illinois University Edwardsville in 1994, three more residence halls have been built. While the process of transforming the University into a residential campus has resulted in more space for residential students, space afforded for academic/student support services has not kept pace. Currently, many academic support service functions are spread across campus.

To provide students with one central location that will address their academic support and personal needs, SIUE plans to construct a Student Academic Success Center as an addition to the Morris University Center. This new Center will add more than 60,000 gross square feet of space needed to house the University's Instructional Services, Disability Services, Counseling Services, Health Services, Academic Advising & SOAR (Student Opportunities for Academic Recognition), Career Development, International Student Center, Honors Program, and expanded space for the Kimmel Leadership Center.

Construction of the Center is expected to begin in May 2008 with an estimated completion date of May 2009 and occupancy beginning in summer 2009. The total estimated project cost of \$16.6 million will be funded using \$1.4 million in funds generated by the Student Academic Success Center Fee and from the sale of \$15.2 million in revenue bonds to be re-paid from the Student Academic Success Center Fee revenues. A detailed financial plan was developed which reflects the projected operating performance of the Student Academic Success

Center. With a term of 20 years and a rate of 5.25 percent, the annual debt service payments for the \$15.2 million financed will be \$1,285,500.

The financial plan calls for a three-year phase in of student fee increases to cover the annual debt service. Fiscal Year 2009 rate increases will be submitted to the Board of Trustees for approval in April 2008 as part of the annual fee review process. It is anticipated that the Board of Trustees will authorize the FY10 and FY11 rate increases needed to cover debt service at that time as well. The projected annual fees are as follows:

	<u>Fee Rate</u>	<u>Increase</u>	<u>Fee Revenue Projections</u>
FY08 Current Fee	\$110.40	-	\$1,217,245
FY09 Proposed	126.00	14%	\$1,437,995
FY10 Proposed	141.60	12%	\$1,616,560
FY11 Proposed	157.20	11%	\$1,795,126

The total operations and maintenance costs for the additional space, 61,397 gross square feet, are estimated to be \$536,610. These ongoing costs will also be funded through revenue generated by the Student Academic Success Center Fee.

This project was endorsed by the Student Government, Campus Activities Board, and the University Planning and Budget Council. SIUE Student Ambassadors coordinated a Student Leadership Referendum which approved the project in March 2006. This project was approved by the SIU Board of Trustees at its September 20, 2007 meeting.

5.) Student Fitness Center Expansion (SIUE). The Student Fitness Center at SIUE was constructed in a manner to allow for future expansion next to the existing office and recreational space. Fitness Center records indicate that usage of the Center's facilities has increased by 98 percent since the facility first opened in 1993. To address the steady rise in student enrollment and use of the Fitness Center, as well as the on-going request for specific additional services, the University plans to expand and construct additional facilities.

The Fitness Center expansion is expected to add approximately 35,000 gross square feet of space and will include the addition of two multi-purpose rooms to accommodate group exercise and student-organizations' activities, an additional fitness area, and an office addition adjacent to the main office wing in order to consolidate existing staff now dispersed throughout the building. Expansion plans also include a new two-story gymnasium to allow for two new courts and a food and juice bar. The new office space will allow current staff members to move out of space that was retrofitted from storage areas, a kitchenette, and hall ways. Once this project phase is complete, the vacated spaces will revert to their original intended purposes. The space that will revert to its original purposes is approximately 500 square feet. Additionally, the new space is intended to provide meeting and gathering areas for intramural/club teams and student organizations.

The Fitness Center expansion project is expected to begin in May 2008 with an estimated completion date of May 2009 and utilization beginning in summer 2009. The total estimated project cost of \$10.55 million will be funded using \$1.25 million in funds generated by the Student Fitness Center Fee and from the sale of \$9.3 million in revenue bonds to be repaid from the Student Fitness Center Fee revenues. A detailed financial plan was developed which reflects the projected operating performance of the Student Academic Success Center. With a term of 20 years and a rate of 5.25 percent, the annual debt service payments for the \$9.3 million financed will be \$780,540.

The financial plan calls for a three-year phase in of student fee increases to help cover the annual debt service. Fiscal Year 2009 rate increases will be submitted to the Board of Trustees for approval in April 2008 as part of the annual fee review process. It is anticipated that the Board of Trustees will authorize the FY10 and FY11 rate increase needed to cover debt service at that time as well. The projected annual fees are as follows:

	<u>Fee Rate</u>	<u>Increase</u>	<u>Fee Revenue Projections</u>
FY08 Current Fee	\$124.60	-	\$1,706,481
FY09 Proposed	\$138.10	10.80%	\$1,908,186
FY10 Proposed	\$151.50	9.70%	\$2,095,731
FY11 Proposed	\$165.00	8.90%	\$2,284,772

The total operations and maintenance costs for the 35,785 gross square feet of added space estimated to be \$312,761. These ongoing costs will also be paid using Student Fitness Center fee revenues.

This project was strongly endorsed by the Student Senate and the Campus Recreation Advisory Committee comprised of students, faculty, staff, and alumni. This project was approved by the SIU Board of Trustees at its September 20, 2007 meeting.

Recommendation

Staff has reviewed these projects and found them to be in accordance with the Board's *Noninstructional Capital Project Guidelines*, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The project is consistent with the mission and scope of the institution; provides needed additional, replacement, or more efficiently utilized space; and is economically feasible, as required by administrative rules.

The staff recommends adoption of the following resolution:

The Illinois Board of Higher Education hereby approves the noninstructional capital projects included in this item.

