

**UNIVERSITY OF ALABAMA SYSTEM
BOARD RULE 415
BOARD SUBMITTAL CHECKLIST CRITERIA**

**BOARD SUBMITTAL CHECKLIST NO. 1
CAPITAL PROJECT - STAGE I SUBMITTAL ^{/1}
(General Project Information)**

CAMPUS: The University of Alabama

PROJECT NAME: Sigma Kappa Sorority House New Construction

MEETING DATE: June 9-10, 2022

- 1. Board Submittal Checklist No. 1
- 2. Transmittal Letter to Chancellor from Campus President requesting project be placed on the agendas for the forthcoming Physical Properties Committee and Board of Trustees (or Executive Committee) Meetings
- 3. Proposed Board Resolution requesting approval of Stage I Submittal by the Board of Trustees
- 4. Executive Summary – Proposed Capital Project ^{/2}
- 5. Supplemental Project Information Worksheet – Exhibit “K”, Board Rule 415
- 6. Campus map(s) showing project site

Prepared by: Michael Hand

Approved by: 

^{/1} Reference Tab 3F – Board Rule 415 Instructional Guide
^{/2} Reference Tab 3E – Board Rule 415 Instructional Guide

THE UNIVERSITY OF
ALABAMA[®] | Office of the
President

May 5, 2022

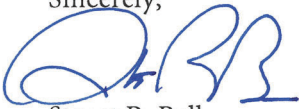
Chancellor Finis E. St. John IV
The University of Alabama System
500 University Boulevard East
Tuscaloosa, Alabama 35401

Dear Chancellor St. John:

I am pleased to send to you for approval under Board Rule 415 the attached documents which provide information regarding construction of the Sigma Kappa Sorority House.

Please place this item on the agenda for the Physical Properties Committee meeting of the June 9-10, 2022 Board of Trustees meeting, and contact us if you have questions or need additional information.

Sincerely,



Stuart R. Bell
President

Enclosure



RESOLUTION

SIGMA KAPPA SORORITY HOUSE NEW CONSTRUCTION

WHEREAS, in accordance with Board Rule 415, The University of Alabama (“University”) is requesting The Board of Trustees of The University of Alabama (“Board”) to consider approval of the Stage I submittal for the Sigma Kappa Sorority House New Construction project (“Project”) to be located at 890 Judy Bonner Drive; and

WHEREAS, the Project entails the construction of a new chapter house for Sigma Kappa which will allow the relocation of the chapter from their current location at 923 Magnolia Drive, and

WHEREAS, the new house will provide Sigma Kappa the ability to host and house the current sorority and have space available for future growth in membership and appropriate space for chapter meetings, board and officer meetings and dining for the Chapter; and

WHEREAS, the Project will be funded from a Chapter Payable in the amount of \$19,000,000, which will be in the form of a loan to Sigma Kappa, and Chapter Reserves of \$2,000,000; and

WHEREAS, Sigma Kappa has agreed to repay the \$19,000,000 to the University and has shown through its Business Plan the ability to repay the loan; and

WHEREAS, the Project location and program have been reviewed and are consistent with the University Campus Master Plan, University Design Standards and the principles contained therein; and

WHEREAS, the preliminary budget for the Project is as stipulated below:

BUDGET:	PRELIMINARY
Construction	\$ 17,930,000
Landscaping	\$ 140,000
Furniture, Fixtures and Equipment	\$ 105,000
Security/Access Control	\$ 75,000
Telecommunication/Data	\$ 75,000
Contingency (5%)	\$ 903,500
UA Project Management Fee (3%)	\$ 569,205
Architect/Engineer Fee (5.6%)	\$ 1,011,920
Commissioning	\$ 20,000
Expenses (Geotech, Construction Materials Test)	\$ 92,775
Other Fees and Services (testing, advertising, printing)	\$ 77,600
TOTAL PROJECT COST	\$ 21,000,000

*Contingency is based on 5% of the costs of Construction and Landscaping.

**UA Project Manager Fee is based on 3% of the costs of Construction, Landscaping, and Contingency.

***Architect/Engineer Fee is based on 5.6% of the costs of Construction and Landscaping.

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that:

1. The Stage I submittal package for the Project is hereby approved.
2. The preliminary budget for the Project as stipulated above is hereby approved.
3. The funding for this project as stipulated above is hereby approved.

EXECUTIVE SUMMARY
PROPOSED CAPITAL PROJECT
BOARD OF TRUSTEES SUBMITTAL

MEETING DATE: June 9-10, 2022

CAMPUS: The University of Alabama, Tuscaloosa, Alabama

PROJECT NAME: Sigma Kappa Sorority House New Construction

PROJECT NUMBER: 142-22-2985

PROJECT LOCATION: Corner of Colonial Dr and Judy Bonner Dr

ARCHITECT: To Be Determined

THIS SUBMITTAL:	PREVIOUS APPROVALS:
<input checked="" type="checkbox"/> Stage I	
<input type="checkbox"/> Stage II	
<input type="checkbox"/> Campus Master Plan Amendment	
<input type="checkbox"/> Stage III	
<input type="checkbox"/> Stage IV	

PROJECT TYPE	SPACE CATEGORIES	PERCENTAGE	GSF
<input checked="" type="checkbox"/> Building Construction	Sorority	~100%	40,000
<input type="checkbox"/> Building Addition			
<input type="checkbox"/> Building Renovation			
<input type="checkbox"/> Equipment			
TOTAL		100%	40,000

BUDGET	Preliminary
Construction	\$ 17,800,000
Landscaping	\$ 100,000
Furniture, Fixtures and Equipment	\$ 106,725
Security/Access Control	\$ 75,000
Telecommunication/Data	\$ 75,000
Contingency (5%)	\$ 895,500
UA Project Management Fee (3%)	\$ 572,100
Architect/Engineer Fee (5.6%)	\$ 1,027,400
Commissioning	\$ 20,000
Expenses (Geotech, Construction Materials Testing)	\$ 85,000
Other Fees and Services (testing, advertising, printing)	\$ 75,000
TOTAL PROJECT COST	\$ 21,000,000

*Contingency is based on 5% of the costs of Construction and Landscaping.

*UA Project Management Fee is based on 3% of the costs of Construction, Landscaping, and Contingency.

***Architect/Engineer Fee is based on 5.6% of the costs of Construction and Landscaping.

ESTIMATED ANNUAL OPERATING AND MAINTENANCE (O&M) COSTS:	
(Utilities, Housekeeping, Maintenance, Insurance, Other)	
0 sf x ~\$0.00/sf	\$ N/A
Total Estimated Annual O&M Costs:	\$ N/A

FUNDING SOURCE:	
Chapter Reserve	\$ 2,000,000
Chapter Payables	\$ 19,000,000
O&M Costs:	N/A

NEW EQUIPMENT REQUIRED**Total Equipment Costs:**

N/A

PROJECT SCOPE:

The addition of new Sigma Kappa chapter house will be located at the corner of Colonial Drive and Judy Bonner Drive. The new facility will sit in the current location of Harris Hall and demolished Alpha Gamma Delta house. It will be three-story house and a basement, main level to accommodate dining and meetings for the Chapter and two floors for member sleeping rooms totaling 40,000 square feet.

PROJECT STATUS**SCHEMATIC DESIGN:**

Date Initiated	February 2021
% Complete	75%
Date Completed	May 2021

PRELIMINARY DESIGN:

Date Initiated	June 2021
% Complete	50%
Date Completed	September 2021

CONSTRUCTION DOCUMENTS:

Date Initiated	September 2021
% Complete	50%
Date Completed	January 2023

SCHEDULED BID DATE:

February 2023

*N/A on Stage I Projects

RELATIONSHIP AND ENHANCEMENT OF CAMPUS PROGRAMS

An increase in the size of the house will allow the chapter to comfortably accommodate the projected chapter size and the growing Greek community.

This proposed Project will enhance the living experience for existing student members as well as future members. Bed capacity will increase from 40 to approximately 66; seating for dining from 100 to approximately 250; and seating for chapter meeting from 150 to approximately 300.

The facility will provide space more appropriate to current trends in Greek life and will enhance both functional and programmatic use.

Attachment K to Board Rule 415

**Supplemental Project Information Worksheet
Annual Capital Development Plan**

FY: 2022 – 2023

Project Name: Sigma Kappa Sorority House New Construction
UA Project #142-22-2985

Project Address/Location: 890 Judy Bonner Drive
Corner of Colonial Drive and Judy Bonner

Campus: The University of Alabama

1. Will this Project increase the current space inventory on campus or replace existing space?

<input checked="" type="checkbox"/> increase space inventory	.24	%	increase	40,000	GSF
<input type="checkbox"/> replace space inventory	_____	%	replacement	_____	GSF
<input type="checkbox"/> renovation of existing space only				_____	GSF

2. If this Project will replace existing space inventory, how will vacated space be utilized or assigned after this Project is completed?

Comments:

Sigma Kappa currently occupies a University Housing and Residential Communities facility. This building will remain in inventory for swing space, to provide the opportunity for an existing chapter to grow or to provide space if a new chapter or group were to come to campus.

3. Is the proposed Project location consistent with the Campus Master Plan and University Design Standards and the principles contained therein?

Yes No, A Campus Master Plan Amendment Is Required

If Campus Master Plan amendment required, explain:

Per Campus Master Plan Amendment as approved September 17, 2021.

4. Provide information on classification of new space provided by this Project and latest utilization data on similar type space on campus.

Proposed New Space/Facilities				
Classification	Number (Spaces/Rooms)	Capacity (Persons)	Area (GSF)	Existing Space Utilization Data (See Notations)
100 Classroom Facilities				
200 Laboratory Facilities				
300 Office Facilities				
400 Study Facilities				
500 Special Use Facilities				
600 General Use Facilities				
700 Support Facilities				
800 Health Care Facilities				
900 Residential Facilities				
000 Unclassified Facilities				

Data reported on latest fiscal year data available.
 Utilization factor based on Scheduled Operating Hours at each Campus – outlined below in notations.

Comments/Notations:
 Not applicable to Greek Housing.

5. How will this Project enhance existing/new programs and undergraduate/graduate enrollments?

Estimated new Funds from Tuition/Programs \$ N/A Yr.

Comments:
 An increase in the size of the house will allow the chapter to comfortably accommodate the projected chapter size and the growing Greek community.

This proposed Project will enhance the living experience for existing student members as well as future members. Bed capacity will increase from 40 to approximately 66; seating for dining from 100 to approximately 250; and seating for chapter meeting from 150 to approximately 300.

The facility will provide space more appropriate to current trends in Greek life and will enhance both functional and programmatic use.

6. Has a facility user group been established to provide input for planning, programming, and design purposes? Yes In-Progress

If yes, list key members of user group:
 Michael Hand, UA Construction Administration, Project Manager

Les Cole, Programming Architect
 Jason Bigelow, UA Staff Architect
 Bonner Lee, UA Landscape Architect
 Susan Willis, Sigma Kappa
 Julie Napper, Sigma Kappa
 Ann-Marie Fontaine, Sigma Kappa

7. **Source(s) of funding for Total Project Development Costs.**

Source(s)	New Funds (FY_____)	Reserves	Status ^{/7}
Tuition			
Student Fees			
Investment Income			
Auxiliary Income			
• External			
• Internal			
Education Sales/Services			
• External			
• Internal			
Direct Grants			
Gifts			
Bonds			
Existing Net Assets			
Other	\$19,000,000		Pending
Chapter Funds	\$2,000,000		
Totals	\$21,000,000		Pending

^{/7} Approved, allocated, pending

Comments:

Sigma Kappa will enter into a loan agreement for \$19,000,000 with the University. The University will issue a promissory note to Sigma Kappa, which will indicate the annual principal and interest payments to be made for repayment of the funds. Sigma Kappa has shown through its Business Plan the ability to repay the loan.

8. **Estimate of operations and maintenance (O&M) costs for the initial occupancy year and projections for succeeding five (5) year period.**

Operations and Maintenance (O&M) Annual Costs Projections			
Expense	FY 2014- 2015 Base Data /8	First Full /YR Occupancy FY	Successive Five (5) Year Projections /9
Maintenance			
Elevator Service			
Building Repairs			
Building Services			
Electric, Natural Gas, Steam			
Chilled Water			
Water and Sewer			
Insurance			
Safety Support			
Operations Staff Support Funding			
Other – Supply Store expenses			
Totals	Not Applicable	Not Applicable	Not Applicable

/8 Latest Fiscal Year Data used as Base Year for Projections

/9 Combined Costs for next Five (5) Years of Occupancy

Comments:

All O&M costs are the responsibility of the chapter and will be funded from rental income and other charges to the sorority members. A Business Plan showing five years of projected revenues and expenses has been developed.

The structure will be designed to operate at minimal cost with minimal maintenance. The design will incorporate high efficiency heating and cooling equipment, as well as efficient lighting fixtures.

9. Source of funds for projected ongoing operations and maintenance (O&M) costs for this project.

Source(s)	Occupancy Yr ^{/9} (FY _____)	Future Years ^{/10}	Status ^{/7}
Tuition			
Student Fees			
Investment Income			
Auxiliary Income • External • Internal			
Educational Sales & Services • External • Internal			
Direct Grant(s)			
Reallocated Funds ^{/11}			
Gifts			
Other- Chapter Payable			
Total/YR	Not Applicable	Not Applicable	Not Applicable

^{/9} Initial Full Yr of Occupancy
^{/10} Next Five (5) Yrs Occupancy
^{/11} Funds Reallocated from other sources
^{/7} Approved, allocated, pending

Comments:

Ongoing O&M cost will be funded by the chapter from rental income and other charges to sorority members.

10. Are development expenditures for this Project being used to reduce the current deferred maintenance/facilities renewal liabilities for the Campus?

\$ N/A N/A % of Total Development Costs

Comments:

Not applicable.

11. What other development alternatives were considered in the planning process for this Project? /13

/13 Renovation vs. new construction, adaptive reuse of underutilized buildings, etc.

Comments:

Sigma Kappa is currently housed in the house located at 923 Magnolia Drive. The new construction will allow the chapter house to be comparable to other sorority houses and allow for the sorority to be competitive. New construction will also allow the exterior design and massing of the house to be consistent with the other sororities recently completed.

There are no existing structures in the area that meet the programmatic needs of the Chapter.

12. Explain how the project will promote adequacy of campus facilities in relation to the University's Mission and scope of programs and/or services:

Comments:

Sigma Kappa currently has 350 student members. The existing house does not adequately allow students to gather efficiently for study hall, meals, chapter meetings and recruitment. Constructing a facility that is comparable to new sorority houses recently constructed and currently under construction will meet the needs of Sigma Kappa.

13. How does the project correlate to the University's strategic goals?

Comments:

The Project will further the University's strategic goal of attracting and supporting a diverse student body through housing enhancements for the student population who participate in Greek organizations.

14. Which of the six University of Alabama system Core Principles does this project support?

Comments:

This Project will ensure accountability and maintenance of the highest standards of excellence (UAS core Principle 3) by assisting the Greek Life community in maintaining the highest standards of excellence for students within the Chapter and future new members of Sigma Kappa.

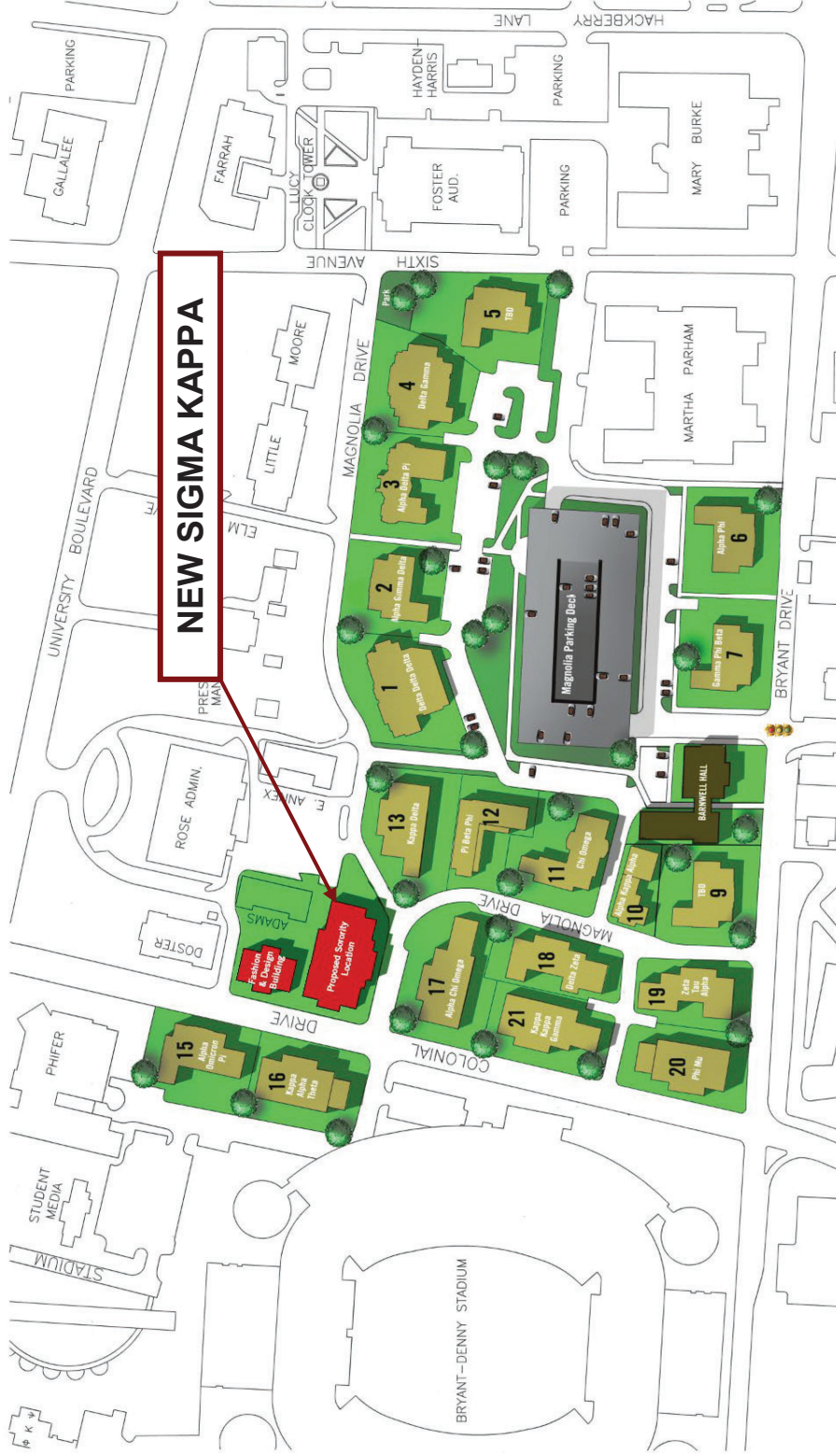
15. What would be the immediate impact on campus programs and enrollment if this project is not approved?

Comments:

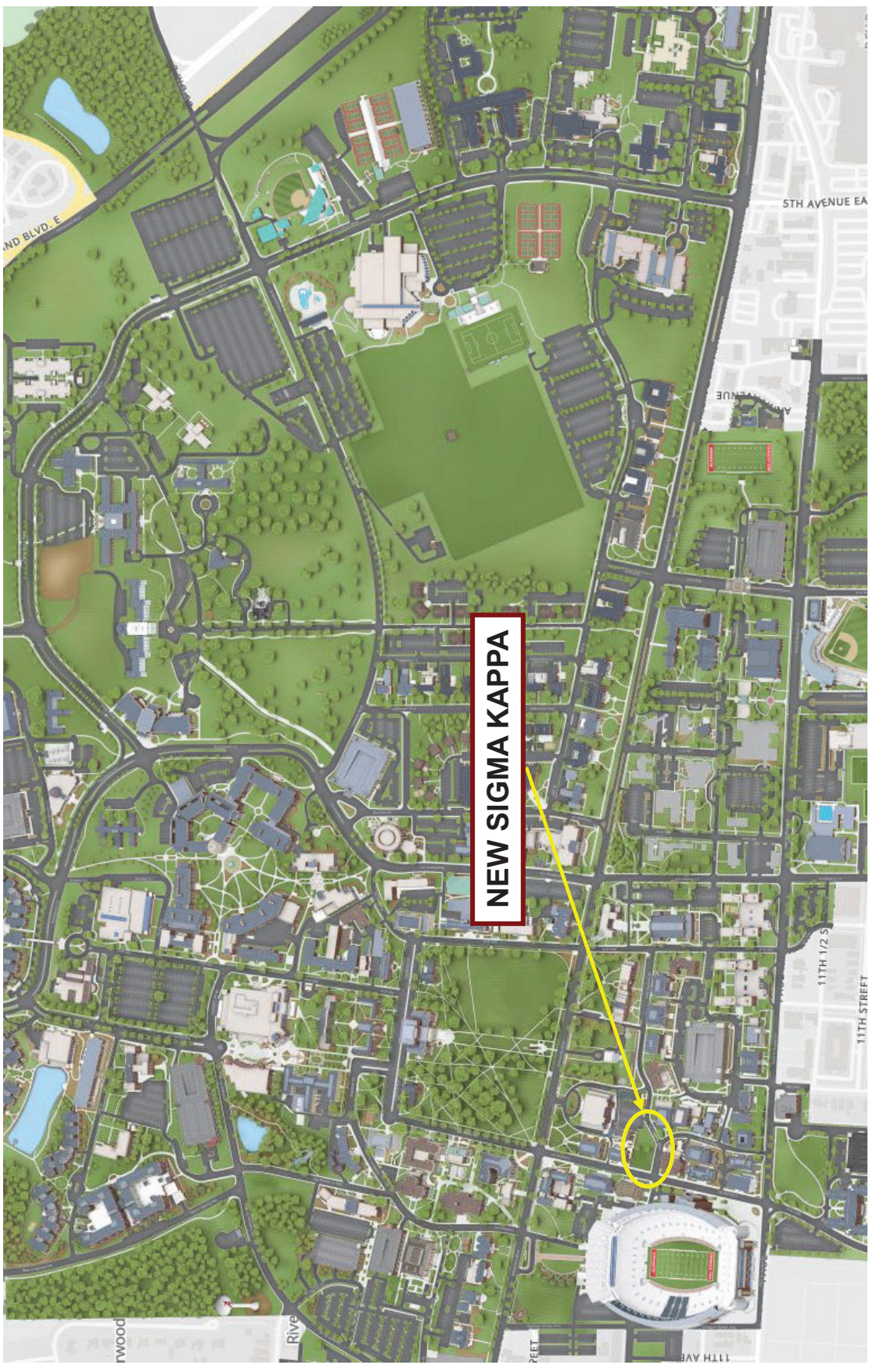
If not approved, the chapter maintains there will continue to be a negative impact on their ability to be competitive during recruitment. The upgraded facility will support the chapter's efforts to grow, engage and enhance their members' experience.

SIGMA KAPPA SORORITY HOUSE NEW CONSTRUCTION

CAMPUS MASTER PLAN AMENDMENT APPROVED SEPTEMBER 17, 2021



SIGMA KAPPA SORORITY HOUSE NEW CONSTRUCTION LOCATION MAP



SIGMA KAPPA SORORITY

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 30
House Income:						
Room Rent	\$ 871,200.00	\$ 897,336.00	\$ 924,256.08	\$ 951,983.76	\$ 980,543.28	\$ 2,053,039.87
Parlor Fees	\$ 568,000.00	\$ 585,040.00	\$ 602,591.20	\$ 620,668.94	\$ 639,289.00	\$ 1,338,529.21
Housing & Furnishing Fees	\$ 57,500.00	\$ 57,500.00	\$ 57,500.00	\$ 57,500.00	\$ 57,500.00	\$ 57,500.00
Meal Plan Fees	\$ 1,295,000.00	\$ 1,333,850.00	\$ 1,373,865.50	\$ 1,415,081.47	\$ 1,457,533.91	\$ 3,051,752.33
Total Income	\$ 2,791,700.00	\$ 2,873,726.00	\$ 2,958,212.78	\$ 3,045,234.16	\$ 3,134,866.19	\$ 6,500,821.41
Operating Costs:						
Utilities	\$ 131,000.00	\$ 134,930.00	\$ 138,977.90	\$ 143,147.24	\$ 147,441.65	\$ 308,710.08
Custodial Services	\$ 56,000.00	\$ 57,680.00	\$ 59,410.40	\$ 61,192.71	\$ 63,028.49	\$ 131,967.67
Repairs & Maintenance	\$ 30,000.00	\$ 30,900.00	\$ 31,827.00	\$ 32,781.81	\$ 33,765.26	\$ 70,696.97
Food Service	\$ 575,000.00	\$ 592,250.00	\$ 610,017.50	\$ 628,318.03	\$ 647,167.57	\$ 1,355,025.17
Cable & Internet	\$ 20,000.00	\$ 20,600.00	\$ 21,218.00	\$ 21,854.54	\$ 22,510.18	\$ 47,131.31
Insurance	\$ 25,000.00	\$ 26,250.00	\$ 27,562.50	\$ 28,940.63	\$ 30,387.66	\$ 102,903.39
Accounting & OH	\$ 315,000.00	\$ 324,450.00	\$ 334,183.50	\$ 344,209.01	\$ 354,535.28	\$ 742,318.13
Furnishings Expense	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00
Miscellaneous Expenses	\$ 45,000.00	\$ 46,350.00	\$ 47,740.50	\$ 49,172.72	\$ 50,647.90	\$ 106,045.45
Total Operating Costs	\$ 1,407,000.00	\$ 1,443,410.00	\$ 1,480,937.30	\$ 1,519,616.67	\$ 1,559,483.98	\$ 3,074,798.16
Net Income Before Debt	\$ 1,384,700.00	\$ 1,430,316.00	\$ 1,477,275.48	\$ 1,525,617.49	\$ 1,575,382.21	\$ 3,426,023.24
Add: Cash Reserves						
Debt	\$ 1,312,235.88	\$ 1,312,235.88	\$ 1,312,235.88	\$ 1,312,235.88	\$ 1,312,235.88	\$ 1,312,235.88
Less: Renewals and Replacement Reserves	\$ 59,868.00	\$ 61,595.04	\$ 63,373.89	\$ 65,206.11	\$ 67,093.29	\$ 137,962.76
Principal Reduction						
Net Income (Loss)	\$ 12,596.12	\$ 56,485.08	\$ 101,665.71	\$ 148,175.51	\$ 196,053.04	\$ 1,975,824.60
Cumulative Net Income (Loss)	\$ 12,596.12	\$ 69,081.20	\$ 170,746.91	\$ 318,922.42	\$ 514,975.45	

Assumptions	Approximate GSF of New House: 40,000	
Estimated project cost:	\$ 21,000,000.00	
Chapter Reserve Funds:	\$ 2,000,000.00	
Chapter Payable:	\$ 19,000,000.00	
Interest on loan is 5.50%. Term of loan is 30 years.		
Assumes spaces to be on line August 2024.		
Rental Income is computed using a bed capacity of 66 at \$6,600 per semester with a 3% annual increase.		
Parlor Fees are charged non-resident members at a rate of \$1,000 per semester with a 3% annual increase.		
Housing & Furnishing Fees are charged to new members one time at a rate of \$500 per year with no anticipated increases.		
Meal Plan Fees are charged to all members at a rate of \$1,850 per semester with 3% annual increase.		
Membership is based on 350 members, 115 new members per year.	Fall 2024 Membershij	350
Plan for Reserves:	Current Beds:	42
4% of Gross Revenue (less Meal Plan Fees) Set Aside for Reserve Fund	Current GSF:	20,000
Cumulative profits to be used as long term reserve funds		
Operations:		
Occupancy is projected at a level of 100% for each year. Any shortfall will be charged back to undergraduate chapter.		
Expenses:		
Property insurance reflects rate for a 'new sprinkled property', increasing at 5% each year.		
All other expenses increase at a rate of 3% per year.		
-Maintenance		
In addition to building a reserve to cover long-term repairs, the operating budget reflects a line item for maintenance-buildings and equipment. This line item is intended to cover minor repairs and unexpected defects.		