

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

**BOARD SUBMITTAL CHECKLIST NO. 3
CAPITAL PROJECT - STAGE III SUBMITTAL ^{/1}
(Architectural Design)**

CAMPUS: The University of Alabama, Tuscaloosa, AL

PROJECT NAME: Delta Kappa Epsilon Addition and Renovation

MEETING DATE: June 8-9, 2023

- ☒ 1. Board Submittal Checklist No. 3
- ☒ 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 Project Design (Architectural Design and authority to proceed with final construction documents) by the Board of Trustees
- ☒ 4. Executive Summary - Proposed Capital Project ^{/2}
- ☒ 5. Architectural rendering of project (Final design prior to the initiation of construction documents on the project)
- ☒ 6. Campus map(s) showing project site

Prepared by: Michael Hand

Approved by:

Tim Leeper
MK

^{/1} Reference Tab 3H - Board Rule 415 Instructional Guide

^{/2} Reference Tab 3E - Board Rule 415 Instructional Guide

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

May 10, 2023

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 for a Stage III submittal and Scope and Budget Revision for the Delta Kappa Epsilon Addition and Renovation Project.

The resolution requests approval of the Architectural Design and a Scope, Budget, and Funding Revision for the project.

The item has been thoroughly reviewed and has my endorsement. With your concurrence, I ask that it be added to the agenda for The Board of Trustees at their regular meeting on June 8-9, 2023.

Sincerely,



Stuart R. Bell
President

Enclosure



THE UNIVERSITY OF ALABAMA

RESOLUTION

APPROVAL OF THE REVISED PROJECT SCOPE AND BUDGET AND
PROPOSED ARCHITECTURAL DESIGN FOR DELTA KAPPA EPSILON
ADDITION AND RENOVATION

WHEREAS, on November 4, 2022, in accordance with Board Rule 415, The Board of Trustees of the University of Alabama (“Board”) approved the Stage I submittal for the Delta Kappa Epsilon Addition and Renovation project (“Project”) located at 976 University Boulevard; and

WHEREAS, the Project will allow Delta Kappa Epsilon (“Chapter”) to provide their current and future members a more functional space to improve food service and event operations and to enhance the student experience by bringing the facility in line with current trends in Greek life and providing more community space; and

WHEREAS, Clark, Geer, Latham and Associates, Inc., (“CGL”) of Mobile, Alabama, were engaged by the University of Alabama (“University”) and Chapter to perform due diligence and programming services for the Project and the firm was part of the design team for the original construction; and

WHEREAS, on November 4, 2022, due to CGL’s familiarity and knowledge of the facility and program, University Design Standards and procedures, and classical design principles that will facilitate an efficient design process and ensure coordination with the existing infrastructure, systems and architecture, the Board authorized the University to waive the Consultant Selection Process and to utilize CGL to provide design services for the Project; and

WHEREAS, the University has negotiated a final design fee for CGL’s services based on 6.3% of the cost of construction; utilities and landscaping, plus a 1.2 renovation factor and \$40,000 for additional services and reimbursables, and a credit of \$25,000, which represents an 11% discount of the standard design fee; and

WHEREAS, the Chapter desires to add scope additions and enhancements to the project as identified during the design process to further support Chapter operations and exterior aesthetics and functionality and which will reduce operations costs; and

WHEREAS, the additional work includes relocating an interior spiral staircase to enhance circulation and other miscellaneous items; and

WHEREAS, responsible officials at the University have received renderings for the Stage III submittal and are recommending approval of said design; 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 University is requesting approval for a budget revision from \$5,000,000 to \$7,407,900 to reflect the aforementioned scope revisions, current market conditions and associated soft costs; and

WHEREAS, the Project will be funded from a Chapter Payable in the amount of \$4,407,900 which will be in the form of a loan to Delta Kappa Epsilon and Chapter Reserves in the amount of \$3,000,000, which the University has verified funding availability, and the Project will address deferred maintenance liabilities in the amount of \$1,000,000; and

WHEREAS, Delta Kappa Epsilon has agreed to repay the loan of \$4,407,900 to the University and has shown through its Business Plan the ability to repay the loan and the Chapter currently has no outstanding balance whatsoever on the original construction of the house; and

WHEREAS, the revised budget for the Project is as stipulated below;

BUDGET:		REVISED
Construction	\$	5,500,000
Utilities and Infrastructure	\$	275,000
Landscaping	\$	100,000
Security/Access Control	\$	75,000
Telecommunication/Data	\$	75,000
Contingency* (10%)	\$	560,000
UA Project Management Fee** (3%)	\$	193,050
Architect/Engineer Fee*** (6.3%)	\$	459,150
Other****	\$	170,700
TOTAL PROJECT COST	\$	7,407,900

*Contingency is based on 10% of Construction and Landscaping.

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

***Architect/Engineer Fee is based on 6.3% of Construction, Utilities and Infrastructure, and Landscaping, plus a 1.2 renovation factor and \$40,000 for additional services and reimbursables, and less a \$25,000 credit.

****Other expenses include Geotech, Construction Materials Testing, Inspections, Advertising, Printing, and other associated project costs, as applicable.

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

1. The Stage III Architectural Design submittal for the Project is hereby approved.
2. The revised scope, budget and funding as stipulated above are hereby approved.

EXECUTIVE SUMMARY
PROPOSED CAPITAL PROJECT
BOARD OF TRUSTEES SUBMITTAL

MEETING DATE: June 8-9, 2023

CAMPUS: The University of Alabama, Tuscaloosa, Alabama

PROJECT NAME: Delta Kappa Epsilon Addition and Renovation

PROJECT NUMBER: 913-23-3075

PROJECT LOCATION: 976 University Boulevard, Existing Chapter Location

ARCHITECT: Clark, Geer, Latham and Associates, Inc., Mobile, Alabama

THIS SUBMITTAL:

- ☐ Stage I
- ☐ Stage II, Waiver
- ☐ Campus Master Plan Amendment
- ☒ Stage III
- ☐ Stage IV

PREVIOUS APPROVALS:

November 2022

November 2022

PROJECT TYPE	SPACE CATEGORIES	PERCENTAGE	GSF
<input type="checkbox"/> Building Construction			
<input checked="" type="checkbox"/> Building Addition	Fraternity	~8%	614
<input checked="" type="checkbox"/> Building Renovation	Fraternity	~92%	7,317
<input type="checkbox"/> Equipment			
TOTAL		100%	7,931

BUDGET	CURRENT	REVISED
Construction	\$ 3,500,000	5,500,000
Utilities and Infrastructure	\$ 275,000	275,000
Landscaping	\$ 100,000	100,000
Security/Access Control	\$ 75,000	75,000
Telecommunication/Data	\$ 75,000	75,000
Contingency* (10%)	\$ 360,000	560,000
UA Project Management Fee** (3%)	\$ 127,050	193,050
Architect/Engineer Fee*** (6.3%)	\$ 317,250	459,150
Other ****	\$ 170,700	170,700
TOTAL PROJECT COST	\$ 5,000,000	7,407,900
Total Construction Cost per square foot \$801		

*Contingency is based on 10% of the costs of Construction and Landscaping.

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

***Architect/Engineer Fee is based on 6.3% of the costs of Construction, Utilities and Infrastructure, and Landscaping, plus a 1.2 renovation factor, \$40,000 for additional services and reimbursables, and less a \$25,000 credit.

****Other fees and expenses include Geotech, Construction Materials Testing, Inspections, Advertising, Printing, and other associated project costs, as applicable.

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*

*O&M costs will be funded by the chapter from rental income and other charges to the fraternity members.

FUNDING SOURCE:

Chapter Funds \$ 3,000,000

Chapter Payables \$ 4,407,900

O&M Costs: \$ N/A*

NEW EQUIPMENT REQUIRED**Total Equipment Costs:**

N/A

PROJECT SCOPE:

The proposed Delta Kappa Epsilon Addition and Renovation project (“Project”) will include the renovation and repurposing of existing interior space and the enclosure of portions of patios and porches on the north elevation for additional square footage. This project will efficiently and effectively meet the needs of the chapter and help bring the house in line with current trends in Greek life and improve the student experience.

The current house is approximately 24,824 gross square feet (“GSF”) and 614 GSF will be added for a total of 25,438 GSF. The main front porch will be expanded and additional hardscaping at grade will be provided as necessary for ADA access. The house was originally constructed in 2006 and featured 28 beds.

Interior work will include repurposing six (6) bedrooms and three (3) bathrooms for use as new lounge and common areas; enclosing approximately 650sf of the existing north patio to increase dining and improve circulation; re-working the serving and beverage lines; reworking the second-floor bedrooms to accommodate egress to the new second-floor porch; and removing walls in the basement chapter room for better use of the space and adding a sink in the basement locker room. Additional interior work will be relocating an interior spiral staircase from the first floor to the basement to help with improved circulation on both floors.

Exterior work will include reworking the north porch and widening the front stairs and adding stairs to the east side of the porch to the basement to improve circulation in and out of the chapter house. The new north second-floor porch will extend the entire inset on the north side. A portion of this porch will be covered by the existing north portico.

The first-floor south patio will be reworked turning existing windows into new doors and a patio area with new ADA ramp access in and out of the chapter house; reworking grades at the south yard to add hard-scape and to tie into the new ramp; and reworking landscaping to meet UA standards.

In addition, mechanical, electrical, plumbing, and fire protection deferred maintenance issues will be addressed as required. The deferred maintenance liability being addressed by the project is approximately \$1 million.

PROJECT STATUS

SCHEMATIC DESIGN:	Date Initiated	November 2022
	% Complete	100%
	Date Completed	January 2023
PRELIMINARY DESIGN:	Date Initiated	February 2023
	% Complete	100%
	Date Completed	March 2023
CONSTRUCTION DOCUMENTS:	Date Initiated	April 2023
	% Complete	60%
	Date Completed	July 2023

SCHEDULED BID DATE: September 12, 2023

**N/A on Stage I Projects*

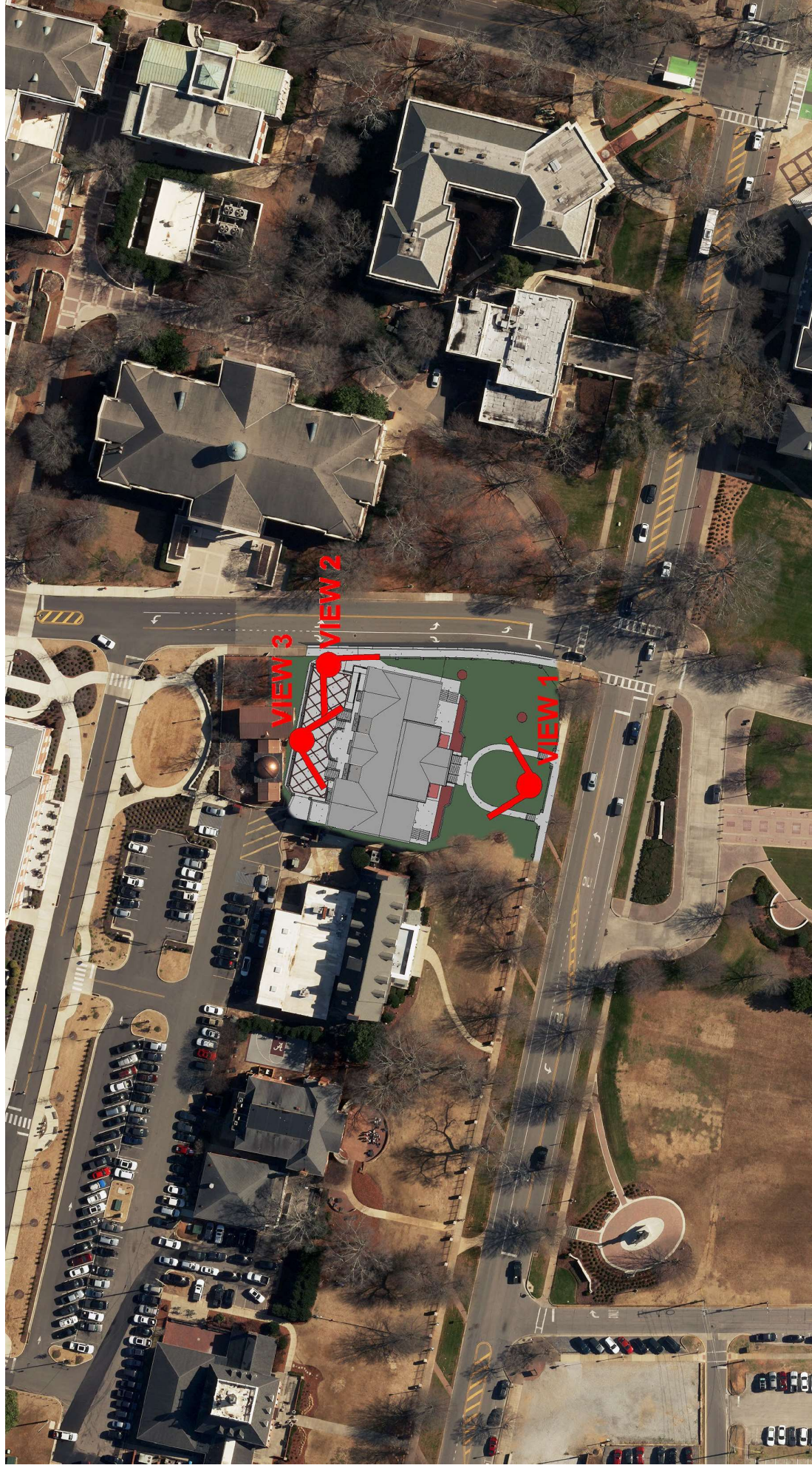
RELATIONSHIP AND ENHANCEMENT OF CAMPUS PROGRAMS

The Project will allow Delta Kappa Epsilon to provide their current and future members a more functional space to improve food service and event operations and to enhance the student experience by bringing the facility in line with current trends in Greek life and providing more community space.

Underutilized space will be repurposed to provide much needed additional gathering areas and better circulation. It will enhance both functional and programmatic use of the chapter house.

DELTA KAPPA EPSILON ADDITION & RENOVATION

Vantage Points



DELTA KAPPA EPSILON ADDITION & RENOVATION

Existing South Elevation



DELTA KAPPA EPSILON ADDITION & RENOVATION

View 1 Looking North from
University Boulevard



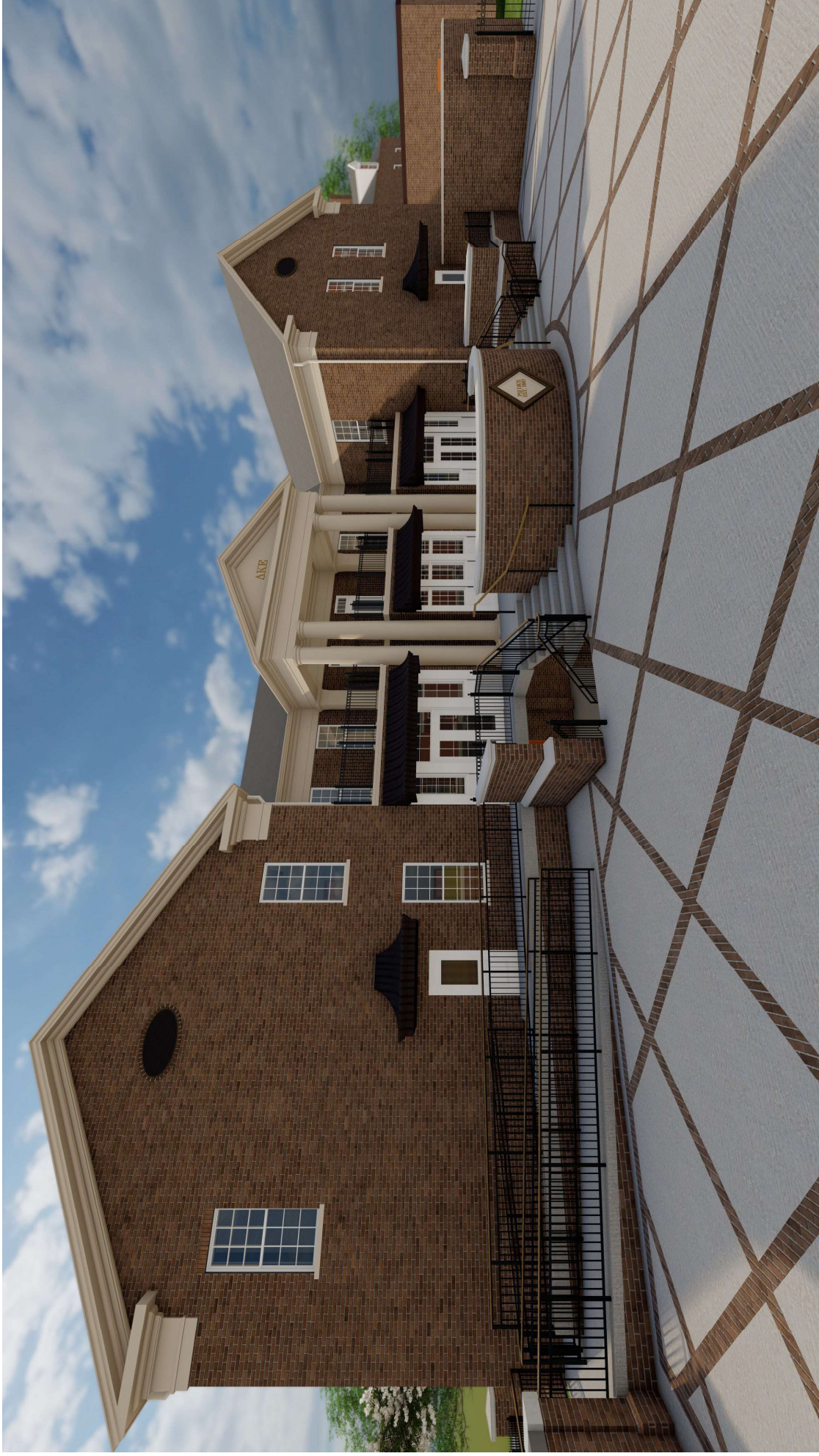
DELTA KAPPA EPSILON ADDITION & RENOVATION

Existing North Elevation

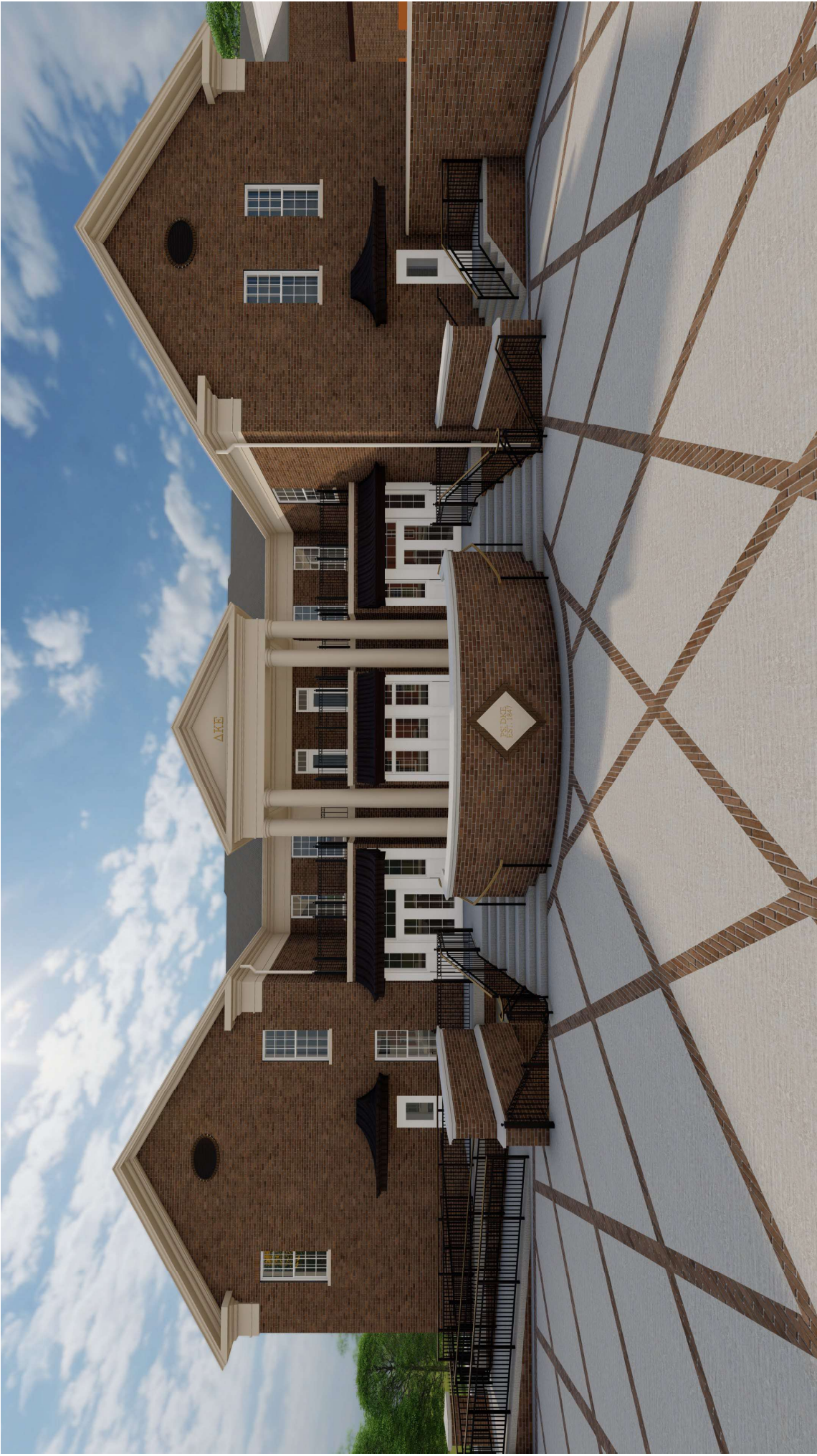


DELTA KAPPA EPSILON ADDITION & RENOVATION

View 2 Looking South from
Stadium Drive



**View 3 Looking South from
West 14th Street**



Massing Study

Name of Building	Height from Finished Floor to Roof Ridge	Width	Depth
Delta Kappa Epsilon	43 feet	133 feet	113 feet
Beta Theta Pi	47 feet	120 feet	122 feet
Phi Gamma Delta	37 feet	129 feet	106 feet

No Change In Massing as a Result of this Project.

DELTA KAPPA EPSILON ADDITION & RENOVATION

LOCATION MAP



**DELTA KAPPA EPSILON
PSI CHAPTER**

	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2053-2054
House Income:						
Room Rent	\$ 242,053.00	\$ 248,530.54	\$ 255,181.42	\$ 262,010.29	\$ 269,021.90	\$520,618.95
Parlor Fees	\$ 166,800.00	\$ 171,263.71	\$ 175,846.87	\$ 180,552.67	\$ 185,384.41	\$ 358,761.27
Housing & Furnishing Fees	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00
Meal Plan Fees	\$ 704,000.00	\$ 722,839.63	\$ 742,183.42	\$ 762,044.86	\$ 782,437.82	\$1,514,196.24
Total Income	\$ 1,140,853.00	\$ 1,170,633.87	\$ 1,201,211.71	\$ 1,232,607.83	\$ 1,264,844.13	\$ 2,421,576.45
Operating Costs:						
Utilities	\$ 118,000.00	\$ 121,157.78	\$ 124,400.06	\$ 127,729.11	\$ 131,147.25	\$ 253,799.94
Custodial Services	\$ 78,400.00	\$ 80,498.05	\$ 82,652.24	\$ 84,864.09	\$ 87,135.12	\$ 168,626.40
Repairs & Maintenance	\$ 75,000.00	\$ 77,007.06	\$ 79,067.84	\$ 81,183.76	\$ 83,356.30	\$ 161,313.52
Food Service	\$ 350,000.00	\$ 359,366.29	\$ 368,983.23	\$ 378,857.53	\$ 388,996.07	\$ 752,796.42
Cable & Internet	\$ 23,500.00	\$ 24,128.88	\$ 24,774.59	\$ 25,437.58	\$ 26,118.31	\$ 50,544.90
Insurance	\$ 15,000.00	\$ 15,401.41	\$ 15,813.57	\$ 16,236.75	\$ 16,671.26	\$ 32,262.70
Accounting & OH	\$ 18,000.00	\$ 18,481.69	\$ 18,976.28	\$ 19,484.10	\$ 20,005.51	\$ 38,715.24
Furnishings Expense	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
Miscellaneous Expenses	\$ 50,000.00	\$ 51,338.04	\$ 52,711.89	\$ 54,122.50	\$ 55,570.87	\$ 107,542.35
Total Operating Costs	\$ 742,900.00	\$ 762,379.21	\$ 782,379.70	\$ 802,915.42	\$ 824,000.69	\$ 1,580,601.48
Net Income Before Debt	\$ 397,953.00	\$ 408,254.66	\$ 418,832.01	\$ 429,692.41	\$ 440,843.44	\$ 840,974.98
Add: Cash Reserves						
Debt	\$300,330.86	\$ 300,330.86	\$ 300,330.86	\$ 300,330.86	\$ 300,330.86	\$ 300,330.86
Less: Renewals and Replacement Reserves	\$ 17,474.12	\$ 17,911.77	\$ 18,361.13	\$ 18,822.52	\$ 19,296.25	\$ 36,295.21
Principal Reduction						
Net Income (Loss)	\$ 80,148.02	\$ 90,012.04	\$ 100,140.02	\$ 110,539.03	\$ 121,216.33	\$ 504,348.91
Cumulative Net Income (Loss)	\$ 80,148.02	\$ 170,160.06	\$ 270,300.08	\$ 380,839.11	\$ 502,055.45	\$ 1,006,404.36

Assumptions	Approximate GSF of New House: TBD
Estimated project cost:	\$ 7,407,900.00
Chapter Reserve Funds & Donations:	\$ 3,000,000.00
Chapter Payable:	\$ 4,407,900.00
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 21 at \$5,763 per semester with a 2.7% annual increase.	
Parlor Fees are charged non-resident members at a rate of \$750 per semester with a 2.7% annual increase.	
Housing & Furnishing Fees are charged to new members one time at a rate of \$700 per year with no anticipated increases with a 2.7% annual increase	
Meal Plan Fees are charged to all members at a rate of \$2,500 per semester with 2.7% annual increase.	
Membership is based on 160 members in Fall 2024, 40 new members per year.	Current membership: 150
Plan for Reserves:	Current Beds: 28
4% of Gross Revenue (less Meal Plan Fees) Set Aside for Reserve Fund	Current GSF:
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 2.7% 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.	