

**APPROVAL OF SCHEMATIC DESIGN FOR
LOWER FIELDS ATHLETIC COMPLEX**

A Recommendation

1. **Division and Department:** Department of Athletics, Finance and Administration Division, and Facilities Management Department
2. **Introduction:** The Oakland University (Oakland) Department of Athletics (Athletics) has developed a project plan to significantly upgrade practice facilities on the lower fields of the athletic complex. The current practice facility was constructed in 1996 during the construction of the O'rena and was moved to the lower fields in 1998. The current facility has outlived its life expectancy. Its size (approximately 29,000 square feet with an occupancy of 49 people) is insufficient for current needs.

Athletics has been in consultation with Total Sports Complex (TSC) to construct and lease a multipurpose domed athletic practice facility (Practice Facility), an entry building with appropriate restrooms and storage, and an expansion of the parking lot currently designated as P-13 to include approximately 185 parking spaces. The goal is to design and construct this Practice Facility with a projected opening of November 1, 2014, but no later than January 1, 2015 dependent upon the selection of a construction manager and the construction schedule. The proposed Practice Facility will provide approximately 108,000 square feet of space, sufficient for two or more athletic teams to practice simultaneously. This will allow for substantial and important improvement in scheduling practices and will afford Oakland's student-athletes a greater opportunity to plan for the classes they need to take to complete their chosen courses of study and graduate. This Practice Facility will significantly enhance recruiting efforts and therefore competitiveness in the Horizon League. The design will allow for, at minimal incremental future cost, the ability to upgrade to a permanent facility.

Established in 1997, TSC has owned and operated multiple athletic facilities (including domed facilities); their original facility is in Wixom, two facilities in Novi, and one each in Rochester Hills and Farmington. In addition, they lease Eastern Michigan University's domed athletic facility. TSC manages over 550,000 square feet of athletic facilities, hosting an estimated 1.5 million visitors annually. TSC has extensive experience with similar facilities.

Under the proposed lease agreement, Athletics would use the Practice Facility Monday through Friday from 5am to 5pm to provide indoor practice facilities for men's and women's soccer, men's baseball, women's softball, men's and women's track & field, men's and women's cross country, men's and women's golf, women's tennis, and overall strength and conditioning. Currently Oakland's

**Approval of Schematic Design for Lower Fields
Athletic Complex
Oakland University
Board of Trustees Formal Session
May 7, 2014
Page 2**

athletic teams expend approximately \$25,000 annually at off-site facilities to supplement the usage of the current facility. If the current facility were razed and not replaced, the off-site facility incremental rental cost for the displaced athletic teams is estimated at \$225,000 annually.

Under the proposed lease agreement, TSC will lease the Practice Facility from Oakland, during times that do not conflict with Athletics' use, Monday through Friday from 5pm to 1am and Saturdays and Sundays from 5am to 1am, paying Oakland approximately \$29,693 per month, \$356,316 annually, for a period of fifteen years, with two potential five-year extensions. TSC will rent the Practice Facility to youth and adult teams, leagues, clubs, organizations and individuals for indoor sport practices, camps and events. TSC will also reimburse Oakland on a monthly basis for fifty percent of the utilities and custodial costs incurred for the Practice Facility. The field turf will be replaced in the eleventh year of the lease agreement and TSC will reimburse Oakland for fifty percent of the replacement. Oakland retains the right to negotiate the use of the Practice Facility during the times designated as TSC rental time.

The total cost of designing and constructing the Practice Facility, entry space, and parking lot expansion is estimated to be \$4,900,000, including appropriate contingencies.

The project will be financed exclusively from Oakland's working capital, with TSC lease payments reimbursing Oakland's working capital and average investment income.

Per the Board of Trustees' (Board) Contracting and Employment Appointment Authority Policy; "for any capital improvement project that has major aesthetic considerations, the Administration shall obtain Board approval of the schematic design." Board approval of the Lower Fields Athletics Complex (Attachment A) schematic design is requested.

3. **Previous Board Action:** None.
4. **Budget Implications:** Beginning in FY2015, upon Board approval, lease income will be collected from TSC to reimburse Oakland's working capital, average investment income. In addition, TSC will reimburse Oakland for fifty percent of the Practice Facilities' utilities and custodial costs. Net operating costs will be budgeted annually in Oakland's General Fund operating budget. Athletics will include costs for equipment in their annual budgets that are approved by the Board.

**Approval of Schematic Design for Lower Fields
Athletic Complex
Oakland University
Board of Trustees Formal Session
May 7, 2014
Page 3**

5. **Educational Implications:** The Practice Facility will be attractive to prospective student-athlete recruits and will substantially improve efforts to coordinate the scheduling of practices and classes in such a way as to provide greater educational flexibility to Oakland's student-athletes.
6. **Personnel Implications:** Administrative oversight of the complex will be integrated into Athletics' existing organizational structure.
7. **University Reviews/Approvals:** This recommendation was formulated by the Interim Director of Athletics and his staff and reviewed by the Associate Vice President for Facilities Management, Vice President for Finance and Administration, and Interim President.

8. **Recommendation:**

RESOLVED, that the Board of Trustees approves the schematic design of the Lower Fields Athletic Complex (Attachment A, as may be immaterially amended during continuing design and construction phases of the project); and, be it further

RESOLVED, that the Board of Trustees authorizes the Vice President for Finance and Administration to proceed with the completion of design and construction of the Lower Fields Athletic Complex and perform all acts and deeds required by this resolution, consistent with the project scope and schematic design; and, be it further

RESOLVED, that the Vice President for Finance and Administration be authorized to negotiate and execute contracts with a construction manager to be selected to design and construct the Lower Fields Athletic Complex for an amount not to exceed \$4,900,000; and be it further

RESOLVED, that the Vice President for Finance and Administration be authorized to negotiate and execute a lease agreement with Total Sports Complex to lease the Lower Fields Athletic Complex at an annual amount of \$356,316 for fifteen years, with two potential five-year extensions; and be it further

RESOLVED, that the lease agreement with Total Sports be contingent upon the University's ability to negotiate and execute a construction manager contract with a not to exceed guaranteed maximum price of \$4,900,000; and be it further

**Approval of Schematic Design for Lower Fields
Athletic Complex
Oakland University
Board of Trustees Formal Session
May 7, 2014
Page 4**

RESOLVED, that all contracts be reviewed and approved by the Office of 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 and policies of the Vice President for Legal Affairs and General Counsel.

9. Attachments: A. Lower Fields Athletic Complex Schematic Design.

Submitted to the President
on 5/6, 2014 by

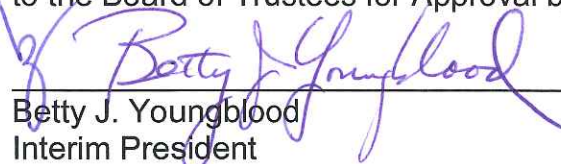


Robert B. Stewart
Interim Athletics Director



John W. Beaghan
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on May 7, 2014
to the Board of Trustees for Approval by



Betty J. Youngblood
Interim President

SK-2

