

## Capital Project Stage Gate I: OSU-Cascades Student Success Center

### BACKGROUND

The OSU-Cascades Student Success Center is included in the Ten-Year Capital Forecast and the university’s request for the state bond portion of project funding is pending in the current legislative session. The governor’s proposed budget includes funding for the project. Staff is bringing this project before the Board for Stage Gate I approval now, so that design work can begin immediately if funding is allocated by the State before the next Board meeting. The following information is provided for consideration by the Board to advance this project to the next phase of development pursuant to the [Approval of Capital Projects policy](#). The schematic design and design development phases include completion of project drawings and possible minor early work such as utility improvements, selective demolition and site preparation.

### PROJECT SUMMARY

	<b>Gross Square Feet Renovated</b>	<b>22,500</b>
	<b>Estimated project budget</b>	<b>\$18,800,000</b>
	State-paid bonds	\$13,800,000
	Student Fees	\$5,000,000
	<b>Deferred maintenance reduction</b>	<b>\$0</b>
	<b>Estimated project completion</b>	<b>Winter Term 2023</b>
	<b>Location</b>	<b>Cascades Campus, Bend</b>

Development of the Student Success Center will improve learning outcomes and facilitate student engagement at OSU-Cascades. The Higher Education Coordinating Commission’s Strategic Capital Development Plan showed OSU-Cascades has an academic support space deficit of 28,165 square feet; this project will help fill that gap for students. According to the National Survey of Student Engagement (NSSE), which measures student involvement in academic and co-curricular programs, students who are more involved in an institution earn higher grades and persist to graduation.

The building will include a combination of flexible use spaces for classroom, study and tutoring, advising and counseling, arts presentation, informal gathering, maker space, and student involvement (e.g. multi-cultural/social/outdoor programs). It will also provide offices for student success staff, including study abroad, service learning, sports and clubs, career counseling, and internship support. OSU-Cascades is striving to ensure every student participates in at least one

type of engagement activity prior to graduation. The Student Success Center would help to facilitate this goal.

**ADVANCING OSU'S STRATEGIC GOALS**

<p><b>Goal 1</b>  <b>Preeminence in Research, Scholarship and Innovation</b></p>	<p><b>Goal 2</b>  <b>Transformative Education That is Accessible to All Learners</b></p>	<p><b>Goal 3</b>  <b>Significant and Visible Impact in Oregon and Beyond</b></p>	<p><b>Goal 4</b>  <b>A Culture of Belonging, Collaboration and Innovation</b></p>
<p>The SSC will provide innovative and distinctive space for student support services on the OSU-Cascades campus. The building will create space for students to engage with faculty and plan for experiential opportunities with academic advisors.</p>	<p>The SSC will be the future home for OSU-Cascades career counseling, academic advising, TRIO (low income, first generation and BIPOC) student programming, and other services to prepare students for successful academic pathways.</p>	<p>The project is a manifestation of strategic plan action to <i>expand pathways to an OSU education and continue development of OSU-Cascades.</i></p>	<p>A design principle for this building is inclusive excellence. The SSC will provide spaces for physical and mental health support and be the core gathering space for the campus, including a multi-cultural center and affinity group spaces.</p>

**IDENTIFICATION OF RISKS AND MITIGATION STRATEGIES**

The following risks have been identified for the project. Given these risks, the construction, owner, and design contingencies have been set at 3%, 7%, and 10%, respectively.

<p><b>Risks</b></p>	<p><b>Consequences</b></p>	<p><b>Mitigation Strategy</b></p>
<p><i>Unknown risks</i></p>	<p>A wide variety of risks can significantly impact project execution affecting budget, schedule, quality or all three.</p>	<p>This project will maintain a risk register that recognizes possible risks, develops mitigation ideas, and highlights the cost of the risks, so the correct amount of attention can be devoted to risk mitigation. Additionally, the team will make decisions collaboratively that are in the best interest of the project.</p>
<p><i>Labor and materials availability</i></p>	<p>Availability of resources presents risk to cost, schedule, and possible scope, especially given potential impacts of COVID.</p>	<p>This risk is mitigated in part by the contingencies stated above. Additionally, evaluation of the supply chain health during design and early buyout can minimize impacts where gaps materialize.</p>

<i>Higher than expected construction market escalation and/or COVID implications</i>	Construction market escalation will erode scope development in buyout minimizing the amount of work delivered relative to commitments.	While a cost escalation factor is planned into the project, we will also utilize an early prioritization of scope and materials to allow for flexibility in the execution. This will give us the ability to adjust to the escalation that may or may not materialize maximizing the scope delivered.
<i>Project delay</i>	Funding, permitting, logistical, contractual, or any reason for substantial delays in construction present not only schedule vulnerability, but also subject the project to further escalation in materials and labor costs. Stretching the construction period would likely increase the cost for the contractor to manage the project and pay for general conditions.	Early effort to develop a procurement/buyout plan that highlights the possibilities for delay and the options to mitigate will be a team priority.

**TOTAL COST OF OWNERSHIP**

The estimated life cycle ownership costs for the OSU-Cascades Student Success Center are summarized in the following table.

<b>Forecasted Total Cost of Ownership Student Success Center</b>	
<b>ITEM</b>	<b>COST</b>
<b>Net Project Cost</b>	<b>\$ 18,800,000</b>
<b>Total Cost Avoidance</b>	<b>(\$0)</b>
Removal of deferred maintenance	(\$0)
<b>Lifecycle Ownership Costs – Net Present Value (NPV)</b>	<b>\$14,054,000</b>
Operations and Maintenance (50 yrs @ \$281K – escalated 3% annually)	\$31,705,000

**RECOMMENDATION**

Staff recommend that the Finance & Administration Committee approve advancing the OSU-Cascades Student Success Center project to the next phase of schematic design and design development.