



Testimony on Fiscal Year 2009 Capital Budget Request

Maryland Department of Budget and Management

Presented by Dr. Robert L. Caret

President

Towson University

August 2007



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INTRODUCTION

It is a pleasure to comment on the five-year capital budget plan recommendations for Towson University. I would first like to take this opportunity to thank you again for your continued support of the College of Liberal Arts and the Site and Safety Improvements projects. Those projects are moving forward. The written testimony distributed to each of you includes an update on our enrollment growth, the implementation of the Campus Master Plan and ongoing capital projects, an overview of the University's current year and five-year facility priorities (see Attachment 1 for location of projects on campus), and our responses to specific Department of Budget and Management (DBM) questions (see Attachment 2).

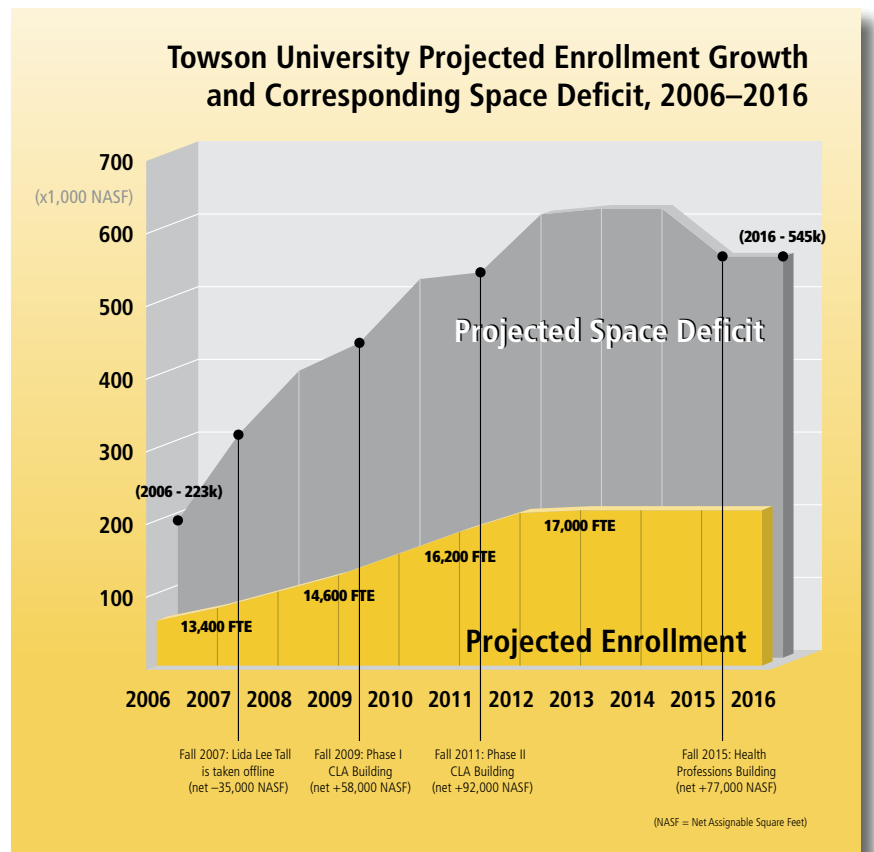
The demand for enrollment at Towson University is strong. As the largest enrollment growth campus for the University System of Maryland, we received over 15,000 applications for 2,700 freshman slots this past year. The University is currently on track to grow by the budgeted 400 FTE this fall which will bring our student headcount to approximately 19,464. The demand for access and our enrollment projections position the University to grow to 25,000 over the next five to seven years. To meet the needs of our current enrollment and the demands of our future students, your assistance in implementing our 2003 Campus Master Plan is crucial. Currently, the University has an existing space deficit based on State guidelines of approximately 223,000 net assignable square feet (371,000 gross square feet), which is projected to increase to approximately 545,000 net assignable square feet (907,000 gross square feet) over the next several years as the University grows its enrollment.

In support of our enrollment growth strategy and Campus Master Plan we have established the following priorities for FY 2009.

1. Maintain the \$8.150 million for funding of the Liberal Arts project to complete design of Phase 2 (\$3.950 million) and to purchase furniture and equipment for the portion of the facility constructed in Phase 1 (\$4.2 million) in FY 2009.
2. Maintain the \$17.9 million for construction of Phase 1 of the Campus Site, Infrastructure and Safety Improvements in FY 2009. The university is also seeking to move funding for Phase 2 design (\$1.61 million) and construction (\$15 million) up to FY 2010 and FY 2011 from FY 2012 and FY 2013 respectively.

Based on the geographical proximity and overlap, challenging topography and need to closely integrate these two projects, compelling reasons exist to coordinate the funding schedule to allow for design and construction of the College of Liberal Arts Complex and the Campus-wide Site, Safety and Infrastructure projects together. The benefits gained through integration of design and construction of these projects include:

- Achieving a final construction outcome that creates a functional and integrated system of roads, pedestrian paths, and landscapes to support additional buildings in the main academic precinct and substantial enrollment growth;
- Taking advantage of financial, contractual and logistical efficiencies of constructing both projects together in a time frame that supports enrollment growth and limits budget escalation; and
- Minimizing major construction disruption and duration in the main academic campus from seven years to five years. It is important to the University to provide and maintain a high quality experience and environment for the students on campus during the construction of these projects and to increase the capacity of campus for the future. Both projects will address existing space and infrastructure deficiencies and will provide additional capacity to support facility and enrollment growth.





STATUS REPORT ON ONGOING CAPITAL PROJECTS

All of the projects in the USM Capital Improvement Program are consistent with and advance Towson University's approved *Campus Master Plan 2003-2013*, as well as the strategic goals established for the growth of the institution in *Towson University 2010: Mapping the Future*.

A status report on state funded capital projects at the University is as follows:

A. New College of Liberal Arts Building

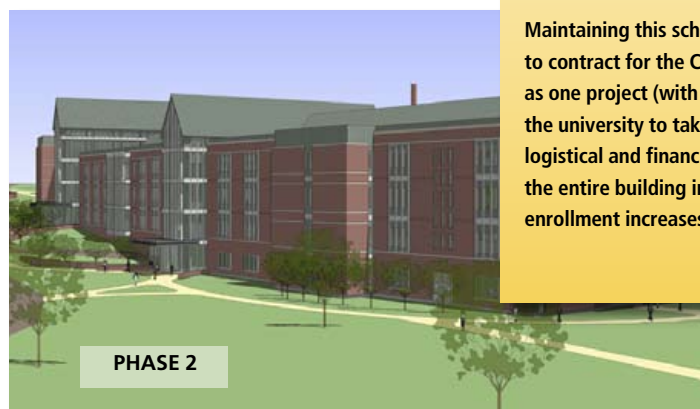
Construction of the utility plant expansion and campus utility upgrades are currently underway. Demolition of Lida Lee Tall was completed in May 2007. Ninety three percent of the total building debris from the demolition of Lida Lee Tall building was recycled and reused, including 12,200 tons of concrete/masonry materials and 167 tons of metal. Utility relocation and site preparation for the new building is expected to be complete this summer. Construction of the building foundation and structure will begin this fall. Phase 1 of the College of Liberal Arts Complex is on schedule and will deliver approximately 100,000 of the 253,000 gross square feet of the total building by fall 2009.

B. Campus Site, Infrastructure and Safety Improvements

Design fee negotiations are complete and will go to the Board of Public Works for approval in August. The design of the various elements of this project will be closely coordinated with the College of Liberal Arts project. Construction will begin in the summer 2008 with most of the improvements completed with the College of Liberal Arts Phase 1 construction in the fall of 2009.

BUDGET REQUEST FOR CURRENT YEAR AND FIVE-YEAR PERIOD

The facility needs at Towson University are many. We realize that funding our capital plan will be challenging; however, Towson University plays an important role in the higher education system. Our ability to respond to the growing demand for access to higher education by Maryland citizens is limited until our facility needs are addressed. As you know, Towson University has been asked to absorb a significant percentage of the traditional student growth by the USM. Supporting the growth at Towson University allows the System and the State to address enhancement needs on other campuses. We appreciate all of the past support we have received and pledge to work closely with the Regents and the State to identify creative solutions to address the needs of the institution. All projects discussed in this testimony have been developed to address the University's existing programmatic and facility needs and to support planned enrollment growth at Towson University. A campus map identifying the location of the capital projects recommended for funding in the five-year plan has been included as Attachment 1.



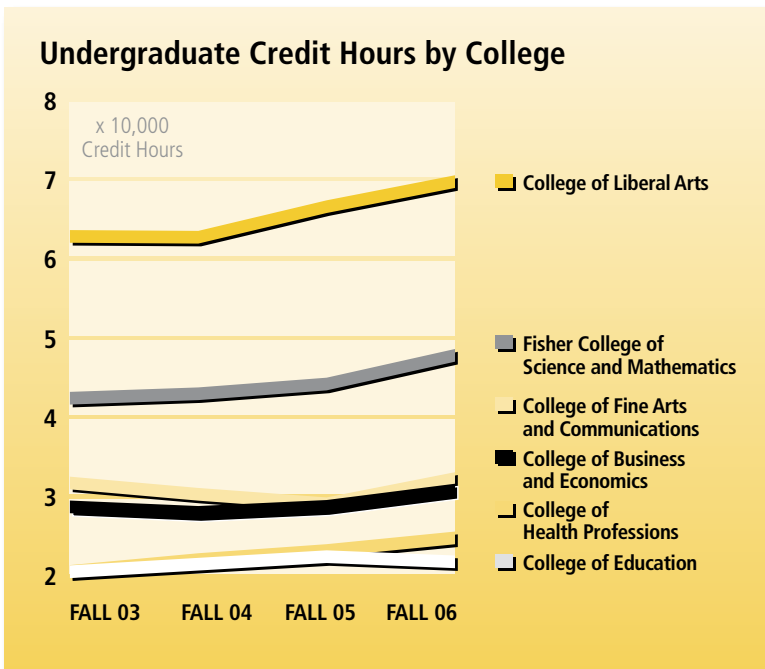
Maintaining this schedule along with authorization to contract for the College of Liberal Arts facility as one project (with phased funding) will allow the university to take advantage of contractual, logistical and financial opportunities to deliver the entire building in a timely manner to support enrollment increases.

A. Construction of College of Liberal Arts

The project involves consolidating the disciplines in the liberal arts, humanities and social sciences into one facility. Currently, these programs are scattered in Linthicum Hall and the Psychology building, and formerly Lida Lee Tall, which was demolished this spring to make way for the College of Liberal Arts Complex. This project will also address existing and future facility and space needs of the College. Currently, the liberal arts, humanities and social sciences generate the most credit hours of any college on campus through both major and minor specific/required classes and general education credits to support majors in other disciplines. This College is truly the academic backbone of the University and will continue to be the workhorse, in terms of credit hour production, in supporting the existing enrollment and enrollment growth. The existing space, further decreased this year with the demolition of Lida Lee Tall, is presently inadequate, both

spatially and technically, to support current enrollment and instructional needs in these disciplines. These problems will only become more pronounced with further enrollment growth.

The current year funding request is for \$3.95 million to complete Phase 2 design and \$4.2 million for Phase 1 equipment. The design funds for Phase 2 were already moved from FY 2008 to the FY 2009 budget; any further delay will be detrimental to the completion of the building. Out year requests include \$70.5 million for Phase 2 construction and \$5.2 million for Phase 2 equipment in FY 2010. With your assistance, we can keep the College of Liberal Arts Complex on track to be complete and ready for use for fall of 2011.



B. Campus Site, Infrastructure and Safety Improvements

The project, as proposed, is for the completion of a variety of safety, infrastructure and site improvements to provide a safer and more functional campus, and to prepare for building and enrollment growth. The improvements to be completed as part of this project are focused geographically in the main academic precinct of campus (generally, the area bounded by Cross Campus, York, Towsontown and Osler, see Attachment 1) and in the transition areas between this precinct and the West Village precinct (the area west of Osler Drive and south of Towsontown Boulevard, see Attachment 1). The project will focus on life safety, infrastructure, ADA and pedestrian/vehicular improvements and is intended to address both existing campus deficiencies and provide the necessary infrastructure for development of facilities in the Campus Master Plan. The core project improvements include safety (improved lighting, emergency telephones and removal of an elevated ramp in poor structural condition), infrastructure (road, pedestrian, electric, lighting, emergency telephone and storm water systems), and regulatory compliance (ADA and storm water management improvements).

The justification of need for this project can be summarized in five major points.

- 1. Upgrade and replace existing campus utility and infrastructure systems.** The existing road, pedestrian, lighting, electrical and storm water management infrastructure systems for the main academic precinct were designed and constructed over 30 years ago for a campus enrollment of approximately 9,000 students. Enrollment has since doubled at Towson University, putting even more stress on the existing infrastructure and systems that are coming to the end of their planned life cycles. Investment in the renewal and replacement of the infrastructure in the main academic precinct is needed now. In addition, the antiquated and poor condition of existing systems has made it difficult to support the access and circulation needs of the 19,464 students that will be on campus this fall. Existing conditions have also created facility constraints in accommodating new and evolved academic curriculum and teaching paradigm needs. More specifically, existing electrical system constraints have restricted adaptive reuse and reconfiguration of academic buildings and space to support changes in teaching methods core to supporting academic curriculums.
- 2. Accommodate enrollment and facility growth.** With the fall enrollment projected to reach 19,464 students, the University is on the path to grow to over 25,000 total students in the next decade. This growth will require new academic and support buildings in the main academic precinct. This planned facility growth will require additional and upgraded road, pedestrian, electric and storm water management infrastructure systems to provide the necessary access to and

around campus, electrical supply to power buildings, address storm water runoff and comply with the required State environmental regulations (many of which did not even exist when much of the main campus was built out in the 1960s and 1970s), and provide a more accessible campus in compliance with ADA.

3. **Improve the safety and accessibility throughout campus.** As part of the College of Liberal Arts Complex an internal roadway (Newell Avenue) will be deconstructed and converted to a pedestrian path. Newell Avenue currently sits in the center of campus creating numerous vehicular and pedestrian conflicts. In coordination with these improvements this project will include the completion of well planned pedestrian crossings with the reconstruction of University Avenue from the Towsontown Parking Garage (including the addition to be constructed in summer 2007) to the College of Liberal Arts Complex. This project will also include demolition of a seriously deteriorating pedestrian ramp in the middle of campus and will replace it with a new stair and pedestrian walkway that includes ADA compliant improvements. Other safety and accessibility improvements to be completed as part of the project include upgrade to and supplement of vehicular and pedestrian lighting, emergency telephones and ADA walkways at a variety of locations in the main academic precinct.
4. **Site development to support near-term capital facility projects.** This project integrates with and supplements the infrastructure work to be completed as part of the College of Liberal Arts Complex and will result in setting up the building site and utility service for the College of Health Professions project. These three capital projects are the keystone for preparing the University for our current enrollment in addition to planning ahead to accept substantial enrollment growth over the next decade. Based on the geographical proximity/overlap and challenging topography of both the College of Liberal Arts and Site and Safety projects, compelling reasons exist to design and construct these two projects together. Primary among these reasons are:
 - Achieving a coordinated construction outcome that creates a functional and integrated system of roads, electrical and storm water infrastructure, pedestrian paths, landscapes and buildings;
 - Taking advantage of financial efficiencies of constructing both projects together, thus limiting budget escalation; and
 - Minimizing major construction disruption in the main academic precinct from seven years to five years.

Campus Site, Infrastructure and Safety Improvements continued

5. **Advance and implement Campus Master Plan goals and objectives.** This project advances and supports the goals and objectives of the University's Campus Master Plan by:

- Creating a main gateway and formal sense of arrival to campus;
- Eliminating and minimizing vehicular/pedestrian conflict points to make the campus safer and more pedestrian friendly;
- Improving the aesthetic and safety of the campus; and
- Increasing enrollment to provide greater access to higher education for the citizens of Maryland.

The FY 2009 funding request is for \$17.9 million in construction funding for Phase 1 of the project. The University is also seeking to move funding for Phase 2 design (\$1.61 million) and construction (\$15 million) up to FY 2010 and FY 2011 respectively. Consolidating the timeframe in which the Campus-wide Site, Safety, and Infrastructure project is funded and completed will benefit the State in terms of cost efficiencies and the students, faculty and staff in terms of minimizing the length of time this area of the campus is disrupted with construction.

C. Construction of The College of Health Professions Building

The project, as proposed, is for the construction of a new 135,000 gross square foot College of Health Professions Building. The State has identified nursing and allied health as critical workforce needs. Towson University's College of Health Professions is working to fulfill those workforce needs. Towson University graduates the second largest number of licensed nurses in the State and the largest number of allied health professionals, in addition to occupational therapists, speech-language pathologists and audiologists, physician assistants, gerontologists and athletic trainers.

The College of Health Professions has been creative in addressing some of the issues in expanding the nursing workforce. They developed a "grow your own" program for educating and training master's level nursing faculty and the University now benefits from these faculty who teach some of our clinical courses. We need your assistance to address the shortage of laboratory and clinical classroom space for the College of Health Professions in order to accommodate growing numbers of nursing students and faculty members.

The project, as proposed, involves the design, construction and equipping of a new building to consolidate the departments of the College of Health Professions



into one facility. The new facility will provide needed instructional, office, study, research and clinical space to support the existing and future needs of undergraduate and graduate programs in Health Science, Nursing, Communication Science and Disorders, Occupational Therapy and Kinesiology. This project will allow the university to expand its nursing, occupational therapy, speech and hearing, and graduate degree programs in these and other health care programs to help meet existing and projected worker shortages in the State. Each of the departments has accreditation standards based on providing space appropriately configured and equipped to meet the requirements of the professions.

The State has deferred the first year of funding for the project by three years to FY 2012. It is our desire to return the first year of funding for this project to FY 2010 with out-year project funding from FY 2011 through FY 2013.

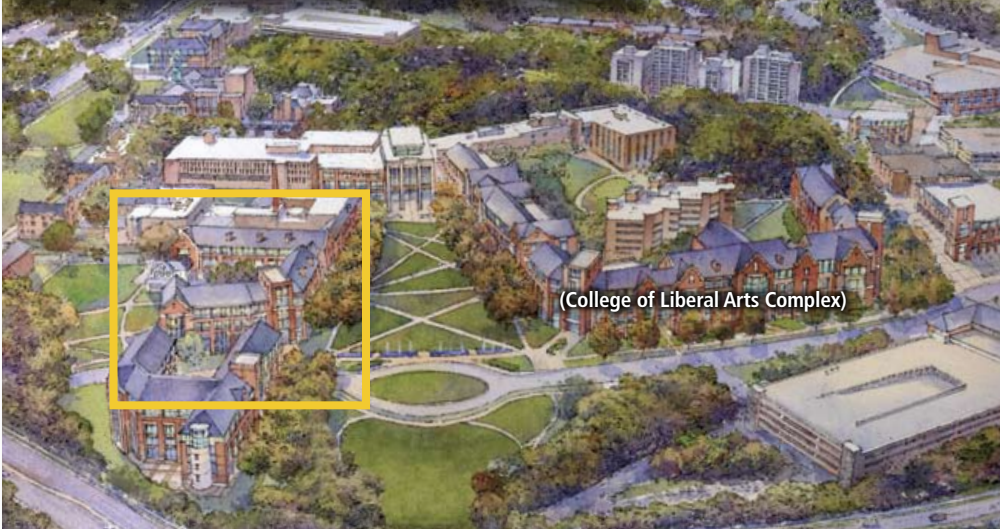
College of Health Professions Building



D. Smith Hall Addition and Renovation

Towson University is requesting funding for the Smith Hall addition and renovation project be moved up into the five-year budget ahead of the Visual and Communications Arts building starting in FY 2012 with \$4 million for planning. The funding schedule being requested for the project would stretch over four years (FY 2012-\$4 million for planning, FY 2013-\$3.55 million for design, FY 2014-\$72 million for construction, FY 2015-\$6 million

for equipment) and equates to a total project budget of \$87.25 million. The project, as proposed, is for the construction of a 50,000 gross square foot addition and complete renovation of the existing building. The additional space will allow consolidation of academic functions along with providing much needed programming space to offset



(College of Liberal Arts Complex)

Artist's rendering of the new 'Main Quad' area of campus, highlighting the College of Health Professions Building. From Towson University Campus Master Plan 2003-2013.

Smith Hall Addition and Renovation, continued

existing needs and accommodate enrollment growth. The existing Smith Hall building is inadequate to support the instructional technology and spatial needs of the current and future academic program. The building addition is proposed to be constructed first to allow for relocation of the existing building occupants so that phased renovation of the existing building can occur.

Critical building systems, particularly heating, ventilating, and air conditioning (HVAC) and specialty systems unique to science labs, are 30-plus years old and in dire need of replacement. The frequency and intensity of outages, leaks, and catastrophic failures (with resulting widespread property damage) has increased over the past few years, and the reliability of these systems to sustain the academic mission for another ten years is seriously in doubt. Adequate environmental conditions are not being sustained because of frequent systems and equipment failure. In addition, academic changes in laboratory sciences have created functional changes in the building which the building was never designed to accommodate in the first place, (e.g., super cool freezers that add tremendous amounts of heat to the interior spaces). Several systems do not meet current life safety codes (e.g., exhaust hoods and supporting ventilation systems), and there are a host of other building deficiencies associated with accessibility requirements.

E. New Visual and Communication Arts Building

The project, as proposed, is for the construction of a new 74,000 gross square foot Visual and Communication Arts Building for the relocation and consolidation of the Communications and Electronic Film and Media Departments in accordance with the approved Campus Master Plan. This new building will be sited adjacent to the Center for the Arts, which houses the other departments of the College of Fine Arts and Communications. This project will relieve existing overcrowded conditions and provide facilities for academic curriculum and enrollment growth and co-locate all the departments of the College to improve both operations and service delivery.

The first year of funding for the project is being requested in FY 2014. The amount being requested is \$1.1 million in planning funds to start design of the project. Total project cost is currently estimated at \$49.4 million.

ATTACHMENT 1

FIVE-YEAR CAPITAL PROJECTS MAP

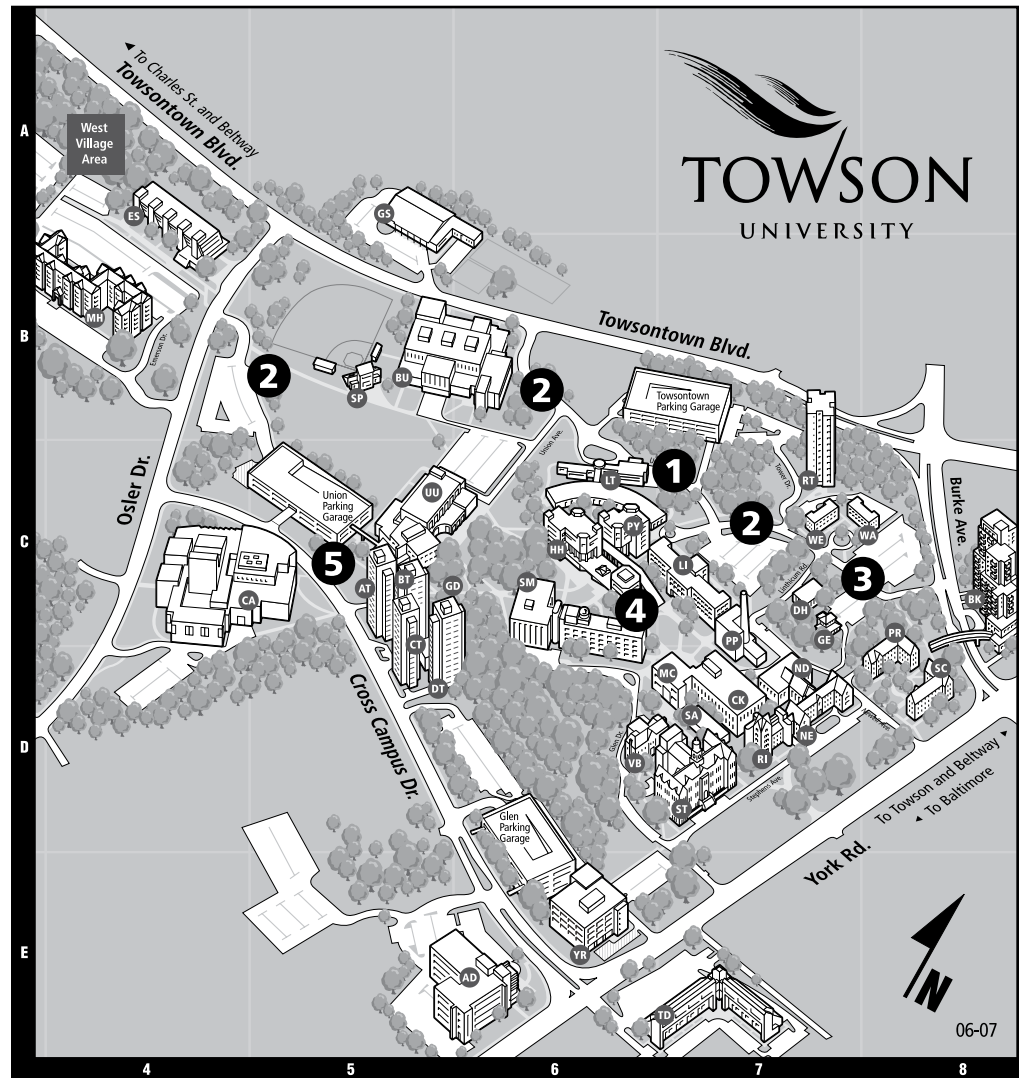
- 1** New College of Liberal Arts
- 2** Campus-Wide Site, Infrastructure, and Safety Improvements
- 3** New College of Health Professions
- 4** Smith Hall Addition and Renovation
- 5** New Visual and Communication Arts Building

Academic & Admin. Buildings

- AD Administration Building - E6
- AH Auburn House - E2
- BU Burdick Hall - B5
- CA Center for the Arts - C4
- CK Cook Library - D7
- DH Dowell Health Center - C7
- ES Enrollment Services Center - A4
- GE Glen Esk - C7
- GS General Services - A5
- HH Hawkins Hall - C6
- LH Lecture Hall - C6
- LI Linthicum Hall - C7
- LT Lida Lee Tall - C6
- MC Media Center - D7
- PP Power Plant - C7
- PY Psychology Building - C6
- SA Stephens Annex - D7
- SM Smith Hall - C6
- SP Schuerholz Park - B5
- ST Stephens Hall - D7
- TD Terrace Dale (leased space) - E7
- UU University Union - C5
- VB Van Bokkelen Hall - D6
- YR 7800 York Road - E6
- BK Berkshire Apartments - C8

Residence Buildings

- AT Glen Complex (A Building) - C5
- BT Glen Complex (B Building) - C5
- CT Glen Complex (C Building) - D5
- DT Glen Complex (D Building) - D5
- GD Glen Dining Hall - C5
- MH Millennium Hall - B4
- NE Newell Hall - D7
- ND Newell Dining Hall - D7
- PR Prettyman Hall - D8
- RT Residence Tower - C7
- RI Richmond Hall - D7
- SC Scarborough Hall - D8
- WA Ward Hall - C8
- WE West Hall - C7



ATTACHMENT 2

FY 2009 CAPITAL BUDGET MEETING QUESTIONS

Responses to DBM questions are italicized and bolded.

New College of Liberal Arts Complex - \$8,150,000 (PE)

1. Please provide a schedule of A/E deliverables for both Phase I and Phase II.
Please provide a construction timeline for Phase I.

Bid packages for the concrete superstructure will be complete in September. One hundred percent construction documents for the rest of the Phase 1 building will be completed by the end of the year. Construction documents for Phase 2 should begin in summer 2008 and be completed in summer 2009. Construction of Phase 1 is scheduled to be complete in July 2009.

2. DBM's preliminary review of this project's furniture and equipment list showed that approximately \$1.2 million of Phase I's items and \$1.7 million of Phase II's items should be funded through the operating budget. What is the basis for the operating budget impact's request for \$1,356,000 and \$2,896,700 of furniture and equipment for the two phases?

The initial \$1,356,000 and \$2,896,000 operating equipment budget estimates were based on the final facility program approved by DBM. Results of the DBM review of these initial equipment lists reveals that more equipment items are eligible for state funding than originally anticipated. Therefore, the university will adjust the operating equipment budget appropriately in accordance with the final equipment list approved by DBM.

3. When will the responses to DBM's equipment list questions be submitted, which were sent to the University on June 20, 2007? (Written response only)

The equipment list responses were submitted to DBM on July 30, 2007.

4. Please provide an operating impact worksheet for Phase II only.
(Written response only)

The Phase 2 impact on operating budget worksheet was submitted to DBM on July 30, 2007. A copy of the worksheet has been included in the testimony as Attachment 3.

Campuswide Safety and Circulation Improvements \$18,274,000 (PC)

1. Last year, the University reported it would select a project A/E by September 2006 and the design period would be December 2006 through August 2007. Why has the architect not been selected yet?

Burt Hill was recommended as the design team last fall based on their qualifications and experience designing the College of Liberal Arts project. When construction funding for the Site and Safety project was deferred one year to FY09, award of the design contract was delayed to allow the CLA design to progress further. This delay was advantageous relative to final scope development and fee negotiations on the Site and Safety Improvements project.

2. Please provide a timeline for the procurement of the A/E contract.

We anticipate BPW approval of the design contract on August 22, 2007.

3. Why are additional design funds for Phase I being requested in FY 2009?

The final design fee was negotiated at approximately 9% of the escalated construction budget, which is within the fee range we would normally expect. The total design fee for the project was slightly higher than the planning funding originally included in the state budget. Thus, the request for additional planning funds.

4. When will Phase II's Part II facility program be submitted?
(Written response only)

The Phase II, Part II program for the Site and Safety Improvements project will be submitted one year ahead of the first year of funding in accordance with USM and DBM policy.

Out-Year Project

New College of Health Professions Building

1. When will responses be returned for the New College of Health Professions Building's facility program review that was sent on October 22, 2004?
(Written response only)

Responses will be returned by the end of 2007.



Attachment 3

**COLLEGE OF LIBERAL ARTS COMPLEX —
PHASE 2 IMPACT ON OPERATING BUDGET**

Occupancy Date: July-2011

Total GSF : 153,000 GSF Added: 153,000

Category	Budget FY 2009	Budget+1 FY 2010	Budget+2 FY 2011	Budget+3 FY 2012	Budget+4 FY 2013	Justification
# FTE Positions				2	2	1 ea. Maint. Mechanics - Grade 07 @ \$43,930/year 1 ea. Steamfitter - Grade 11 @ \$56,572/year (salary grade midpoint used with 39.5% benefits)
Salaries & Wages				\$100,502	\$100,502	
Communications				\$36,000	\$36,000	60 Telephone Lines @ \$600/year each
Fuel & Utilities				\$760,410	\$760,410	153,000 sqft X \$4.97/sqft
Contractual Svcs.				\$428,400	\$428,400	153,000 sqft X \$2.80/sqft
Supplies & Mats.				\$91,800	\$91,800	
Equipment (Addt'l.)			\$2,896,700			Phase II Only from FY 2007 Request
Total Expenditures			\$2,896,700	\$1,417,112	\$1,417,112	

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