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FOR
FACILITIES PLANNING AND CONSTRUCTION COMMITTEE**

Committee Meeting: 5/8/2013

Board Meeting: 5/9/2013
Austin, Texas

Printice L. Gary, Chairman
James D. Dannenbaum, Vice Chairman
Alex M. Cranberg
R. Steven Hicks
Robert L. Stillwell

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10. U. T. Austin: Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation project - Amendment of the FY 2013-2018 Capital Improvement Program to increase the total project cost; approval to revise funding sources; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)	3:55 p.m. Action <i>Mr. O'Donnell</i>	Action	288
Adjourn	4:00 p.m.		

1. **U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, referred for Committee consideration**

The proposed Consent Agenda is at the back of the book.

2. U. T. Austin: Dell Medical School - Phase 1 - Amendment of the FY 2013-2018 Capital Improvement Program to include project (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents amend the FY 2013-2018 Capital Improvement Program (CIP) to include the Dell Medical School - Phase 1 project at U. T. Austin as follows:

Project No.:	102-772	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	June 2016	
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$334,500,000

Funding Note: ¹ Revenue Financing System debt is proposed to be repaid from office space rental and parking revenues.

Investment Metrics:

- Incoming cohort of 50 medical students and total of 200 enrollment
- Incoming cohort of 25 Ph.D. students with total of 125 enrollment
- 175 residents increases to 350 over 10 years

BACKGROUND INFORMATION

U. T. Austin seeks to construct the Dell Medical School - Phase 1 project to support the University's goal to create an internationally recognized medical school for high quality education, research, and health care, with accommodation for long-term growth. The new doctoral degree program in Medicine at the University, for which expansion of preliminary planning authority was approved by the Board on February 14, 2013, will educate physicians to be skilled clinicians, biomedical scientists, professional leaders, and innovators in the ongoing transformation of the health care system in Texas and nationally. In addition to building a faculty dedicated to medicine, it will draw on the University's existing teaching and research strengths in natural sciences, engineering, and relevant fields in the social sciences and humanities. The program in Medicine also will draw on the University's well-regarded programs in nursing, pharmacy, and social work to educate new physicians in interprofessional team settings that prepare them to function effectively in the health care system of the future, to provide acute and complex care safely and efficiently, and to maintain and improve the health of individuals in the community.

The Dell Medical School - Phase 1 project is proposed to be located in a new campus medical district of approximately 40 acres, bounded by Martin Luther King, Jr. Boulevard, Interstate Highway 35, 15th Street, and Trinity Street. The potential location for this district is identified in the U. T. Austin Campus and Medical School Master Plan. (See Item 2 on Page 145 of the Academic Affairs Committee related to the Campus and Medical School Master Plan.) Of significance is the immediate adjacency of the proposed medical district to the existing University Medical Center Brackenridge, specifically because of the substantial investment

in facilities in the Medical Center, which will continue to serve the new teaching hospital. The phased development of the medical district is being outlined in the master plan effort. There is additional room for future expansion of the district, when needed, into an adjacent, approximately 17 acres of the Central Campus, north of Martin Luther King, Jr. Boulevard.

This first phase of development will involve the construction of approximately 515,000 gross square feet (GSF) of new University buildings, including an Education and Administration Building, Research Building, and Medical Office Building 1. Additionally, Parking Garage 1 with approximately 300,000 to 350,000 GSF is targeted to house 1,000 cars. A 480,000 GSF teaching hospital will be concurrently constructed by Seton Healthcare in coordination with Central Health. The teaching hospital is not included as part of this project since it will not be constructed or financed by U. T. Austin.

To optimize the placement and organization of the various facilities that will ultimately comprise the district, some existing infrastructure and facilities will require removal, relocation, or replacement. Transportation and utility infrastructure and site preparation stages, including potential roadway realignment, will precede the building construction and will be closely coordinated with the City of Austin. The scope and phasing of the infrastructure work will be coordinated with Central Health/Seton as they construct the new teaching hospital. The current plan assumes each building included in the Dell Medical School - Phase 1 project will have stand-alone utility systems because the buildings are to be located at the far south edge of the campus where existing University utility systems are not currently capable of meeting the new demand. However, the University is currently conducting a study to determine the viability of meeting the increased demand by expanding the campus utility system. Should a proposed expansion be recommended, it will be submitted for consideration as a separate, future project.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

3. U. T. Permian Basin: Residence and Dining Hall - Amendment of the FY 2013-2018 Capital Improvement Program to include project (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Watts that the U. T. System Board of Regents amend the FY 2013-2018 Capital Improvement Program (CIP) to include the Residence and Dining Hall project at U. T. Permian Basin as follows:

Project No.:	501-555	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	July 2015	
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$32,500,000

Funding Note: ¹ Revenue Financing System debt is proposed to be repaid from rental income

- Investment Metrics:**
- This student housing project will allow for the admission of at least 225 students from outside the Odessa/Midland area who would not otherwise be able to attend U. T. Permian Basin due to the housing shortage.
 - Occupancy of proposed units will increase the number of on-campus students by approximately 33% with related increases in tuition and fees, meal plan purchases, and bookstore sales.
 - Allow highly qualified students to register under the \$10,000 degree Texas Science Scholar Program

BACKGROUND INFORMATION

The proposed project, comprised of approximately 115,000 gross square feet, will provide a three-story dormitory building and dining services wing. The dining hall will serve approximately 750 people, seat 350 students, and include a main dining area as well as smaller private dining spaces suitable for faculty luncheons and other meetings. The dormitory will provide a total of 300 beds arranged in four-bedroom, two-bath suites, and two-bedroom, one-bath units. The Residence Hall will also include study rooms, lounges, and Resident Advisor units on each floor. Laundry facilities will be provided in the building.

Current student housing is operating at 100% occupancy. U. T. Permian Basin currently provides approximately 615 beds by campus. The addition of Student Housing Phase V with 99 beds scheduled for completion by Fall 2013 and Student Housing Phase VI adding 198 beds scheduled for completion by Fall 2014 will bring the total number of on-campus beds to 912.

As a result of the continued oil and gas boom in the entire Permian Basin region, there continues to be an extreme shortage of off-campus housing that is suitable for students. This project is needed to accommodate the growing number of requests for on-campus housing, as well as to provide additional dining space for 96 students living in housing without full kitchens.

The growth areas and projections as of August 2015 are as follows: the Petroleum Engineering program currently has 120 majors and expects at least 220 and the Nursing Program will grow to at least 160 students (there are 700 applicants for the 40 seats available in August 2013). Additionally, students of the recently implemented \$10,000 degree Texas Science Scholar Program are required to live on campus. The program has room for 100 students each year.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

4. U. T. San Antonio: Engineering Design and Innovation Center - Amendment of the FY 2013-2018 Capital Improvement Program to include project (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Romo that the U. T. System Board of Regents amend the FY 2013-2018 Capital Improvement Program (CIP) to include the Engineering Design and Innovation Center project at U. T. San Antonio as follows:

Project No.:	401-770	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	May 2016	
Total Project Cost:	<u>Source</u> Gifts	<u>Proposed</u> \$6,500,000

- Investment Metrics:**
- Provide additional classroom space to meet Closing the Gaps enrollment goal of 31,500 students by 2020
 - Reduce space deficit by 15,000 assignable square feet by 2016

BACKGROUND INFORMATION

U. T. San Antonio seeks to construct an Engineering Design and Innovation Center (EDIC) that will create an additional 18,500 gross square foot facility that will provide labs and shops, self-study space, classroom spaces, and faculty offices. The building is intended to support students in the College of Engineering by providing a place where interdisciplinary teams of students with complementary skills can come together to work collaboratively to design projects for the purpose of solving real world engineering problems with commercial applications.

To serve this function, the facility will include a large common design lab as well as machine and wood shops and a rapid prototyping lab. It is essential that the facility be located on the Main Campus in close proximity to the existing shops in the Science and Engineering Laboratory and near the other College of Engineering facilities.

The proposed project will reduce the current space deficit by providing much needed class lab and classroom space to serve the College of Engineering. Reducing the space deficit will support the University's efforts to improve graduation rates and lessen time to degree as the space deficit has been a significant limiting factor.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

5. U. T. Southwestern Medical Center: West Campus - Phase 1 - Amendment of the FY 2013-2018 Capital Improvement Program to include project and authorization of institutional management (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Podolsky that the U. T. System Board of Regents amend the FY 2013-2018 Capital Improvement Program (CIP) for the West Campus - Phase 1 project at U. T. Southwestern Medical Center as follows:

Project No.: 303-771
Institutionally Managed: Yes No
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: January 2018
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Revenue Financing System Bond Proceeds ¹	\$107,000,000
Designated Funds ²	\$ 60,000,000
Gifts	<u>\$ 20,000,000</u>
	\$187,000,000

Funding Notes:

¹ Revenue Financing System debt is proposed to be repaid from faculty practice revenue, Hospital Revenues, parking fees, and other institutional funds.

² Designated Funds are from faculty practice revenue and other institutional funds.

Investment Metrics:

- Increase outpatient clinical space by 82,500 gross square feet (GSF) reaching full functioning efficiency by 2021
- Provide opportunities for education and innovation, improved outpatient access, and expanded services by 2018

BACKGROUND INFORMATION

This project is the first phase of the redevelopment of the West Campus after the construction of the William P. Clements, Jr. University Hospital. The first phase of the redevelopment plan includes the demolition of the St. Paul University Hospital and the construction of an 11-story 275,000 GSF academic/clinical building. The project will add needed infrastructure to include: a new central utility plant building and equipment to serve the Phase 1 building, a parking garage for 1,609 vehicles, streets, driveways, and utilities. (See Slide 12 of Item 7 on Page 267 of the Health Affairs Committee for a breakdown of cost.)

The proposed Phase 1 building will house approximately 137,500 GSF for academic space including faculty offices, training/meeting rooms, innovative multidisciplinary education space, and a high-tech simulation center. The remainder of the facility, approximately 137,500 GSF, will be utilized for outpatient clinic expansion for faculty practice.

For U. T. Southwestern Medical Center to complete its journey to a Top Ten comprehensive academic medical center, it needs to accomplish the following: expand its excellence in basic research to clinical research, grow translational and health services research, garner Ten Top ranked clinical programs, and continue to strive for unsurpassed patient service in state-of-the-

art facilities. Changes in health care will require successful health systems to develop and implement new models of care delivery. As a top-tier academic medical center, U. T. Southwestern Medical Center will play an important role in that transformation. The Phase 1 building will support these objectives by providing a state-of-the art facility to integrate world-class education and research programs into health care delivery and to practice multidisciplinary medicine with new and expanded clinical programs and services. New facilities aid in attracting and retaining the best academic leaders and offer the finest training for students, residents, and industry innovators.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date. It has been determined that this project would best be managed by U. T. Southwestern Medical Center Facilities Management personnel who have the experience and capability to manage all aspects of the work. (See Item 7 on Page 255 of the Health Affairs Committee related to a report on the West Campus Master Plan - Phase 1.)

6. U. T. M. D. Anderson Cancer Center: Mitchell Building Energy Upgrades - Amendment of the FY 2013-2018 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President DePinho that the U. T. System Board of Regents amend the FY 2013-2018 Capital Improvement Program (CIP) to include the Mitchell Building Energy Upgrades project at U. T. M. D. Anderson Cancer Center as follows:

Project No.: 703-X61
Institutionally Managed: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: March 2014
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Hospital Revenues	\$5,700,000

- a. approve a total project cost of \$5,700,000 with funding from Hospital Revenues;
- b. appropriate funds; and
- c. authorize U. T. M. D. Anderson Cancer Center to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

Recent evaluation of the energy recovery systems at the George and Cynthia Mitchell Basic Sciences Research Building has led to the conclusion that upgrades are needed to increase efficiency and reliability of the identified building systems. This project encompasses upgrades to the domestic hot water circulation system, relocation and modification of mechanical equipment and piping to allow installation of chill water heat exchangers, and installation of a heat recovery chiller. These improvements and upgrades will reduce the energy cost of operating the Mitchell Building and extend the reliability of these systems.

This proposed repair and renovation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date.

7. U. T. Dallas: Parking Structure Phase III - Approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents approve the recommendations for the Parking Structure Phase III project at U. T. Dallas as follows:

Project No.:	302-710	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	August 2014	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds ¹	\$12,000,000
	Auxiliary Enterprises Balances ²	\$ 2,500,000
	Unexpended Plant Funds ³	<u>\$ 500,000</u>
		\$15,000,000

Funding Notes: ¹ Revenue Financing System debt is proposed to be repaid from parking fees.
² Auxiliary Enterprises Balances will be from parking fees.
³ Unexpended Plant Funds will be from balance of funds from project close-out.

Investment Metric: This project will directly support the University's Strategic Plan Imperative of adding 5,000 full-time equivalent students by 2017, creating a total student population of 21,000.

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of \$15,000,000 with funding of \$12,000,000 from Revenue Financing System Bond Proceeds, \$2,500,000 from Auxiliary Enterprises Balances, and \$500,000 from Unexpended Plant Funds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation

as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$12,000,000.

BACKGROUND INFORMATION

Debt Service

The \$12,000,000 in aggregate Revenue Financing System debt will be repaid from parking revenues. Annual debt service on the \$12,000,000 Revenue Financing System debt is expected to be \$825,665. The institution's debt service coverage is expected to be at least 1.9 times and average 2.1 times over FY 2013-2017.

Previous Board Action

On May 3, 2012, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$15,000,000 with funding of \$12,000,000 from Revenue Financing System Bond Proceeds, \$2,500,000 from Auxiliary Enterprises Balances, and \$500,000 from Unexpended Plant Funds.

Project Description

This five-story cast-in-place concrete parking garage of approximately 320,000 gross square feet (GSF) will be constructed on the north side of campus at the intersection of Loop Road and Rutford Avenue. The project will include approximately 750 spaces for parking, auxiliary space, retail outlets, and an information center.

With rapidly accelerated growth in student enrollment and associated increases in faculty and staff, U. T. Dallas has a growing need for additional parking on campus. This structure will accommodate parking for the Bioengineering and Sciences Building, the Natural Science and Engineering Research Laboratory, and the academic buildings along Rutford Avenue. This project is aligned with the current Campus Site Development Plan.

Basis of Design

The planned building life expectancy is 50-75 years.

The exterior appearance and finish are consistent with similar urban parking garages with flexible, generic retail space and with the existing Campus Master Plan.

8. U. T. El Paso: Student Housing Phase III - Amendment of the FY 2013-2018 Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Natalicio that the U. T. System Board of Regents approve the recommendations for the Student Housing Phase III project at U. T. El Paso as follows:

Project No.:	201-683		
Project Delivery Method:	Construction Manager-at-Risk		
Substantial Completion Date:	October 2014		
Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$17,200,000	\$23,000,000

Funding Note: ¹ Revenue Financing System debt is proposed to be repaid from rental income.

- Investment Metrics:** By 2015
- Increase campus housing by 352 beds
 - Achieve 100% occupancy
 - Increase graduate student population residing on-campus

- a. amend the FY 2013-2018 Capital Improvement Program (CIP) to increase the total project cost from \$17,200,000 to \$23,000,000;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of \$23,000,000 with funding from Revenue Financing System Bond Proceeds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
 - U. T. El Paso, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation

as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$23,000,000.

BACKGROUND INFORMATION

Debt Service

The \$23,000,000 in aggregate Revenue Financing System debt will be repaid from rental income. Annual debt service on the \$23,000,000 Revenue Financing System debt is expected to be \$1.3 million. The debt service coverage for this particular phase of the project is expected to be at least 1.0 times and average 1.0 times from FY 2015 to FY 2020. The debt service coverage for the overall University housing operations is expected to be at least 1.2 times and average 1.3 times from FY 2013 to FY 2018.

Previous Board Action

On November 10, 2011, the project was included in the CIP with a total project cost of \$17,200,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project is comprised of two, four-story buildings of approximately 99,000 gross square feet (GSF) comprising 83 units. The apartment-style structures will provide a combination of single, four, and six-bedroom suite units to house 352 freshman and sophomore students as well as dedicated lounges, study rooms, circulation space, and common laundry facilities. Each unit will include a small kitchen, living area, and bathroom. Also included in this project is a 4,400 GSF commons building that includes staff offices, computer lab, kitchen, conference room, and a meeting hall. Additionally, the project will include a parking lot for 178 vehicles.

The siting of the project in the north campus area supports the Campus Master Plan to develop this area into a student housing and recreation area. The costs to provide required infrastructure, including utility connections and roadways to this undeveloped site, are reflected in the increase in total project cost. U. T. El Paso will provide bus service to the campus core.

U. T. El Paso currently operates two student housing complexes, which accommodate 636 students. This proposed project will bring the total number of beds on campus to 988. Over the past several years, these complexes have been at capacity with a consistent waiting list of approximately 200 students.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 25-30 years
- Building Systems: 25-30 years
- Interior Construction: 10-20 years

The exterior appearance and finish are consistent with existing campus buildings and with the existing Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish are consistent with similar existing campus buildings.

9. U. T. Health Science Center - San Antonio: Academic Learning and Teaching Center - Approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Henrich that the U. T. System Board of Regents approve the recommendations for the Academic Learning and Teaching Center project at U. T. Health Science Center - San Antonio as follows:

Project No.: 402-720
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: September 2015
Total Project Cost:

<u>Source</u>	<u>Current</u>
Permanent University Fund Bond Proceeds	\$45,000,000

Investment Metrics:

- Increase enrollment in School of Medicine with additional space for as many as 50 students
- Strengthen and expand the distance learning program essential for a 21st century university
- Serve South Texas medical education admissions track
- Modernize and increase the size of the anatomy laboratories to accommodate the additional medical students and offer better delivery of basic science education to all Health Science Center students

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of \$45,000,000 from Permanent University Fund (PUF) Bond Proceeds.

BACKGROUND INFORMATION

Previous Board Action

On August 23, 2012, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$45,000,000 with funding from PUF Bond Proceeds.

Project Description

The Academic Learning and Teaching Center (Center) is an important element of the goal of the Framework for Advancing Excellence throughout the U. T. System to expand medical education and research programs in South Texas. The project will bring necessary improvements for all health care students in South Texas and will facilitate the creation of a medical school in South Texas by providing space for first- and second-year medical students.

This four-story building will be constructed on the Joe R. and Teresa Lozano Long Campus in San Antonio, and consist of approximately 125,000 gross square feet (GSF) with space for

gross anatomy laboratories, classrooms, lecture halls, and common areas, and will initially include approximately 50,000 GSF of shelled space. The design will feature flexible classrooms with modern technology, which are needed to provide the kind of educational experience mandated by the accrediting board. The new anatomy facilities will include anatomy learning centers, which will accommodate student interaction with modern teaching materials in a small group format such as electronic simulators and virtual dissection equipment. The Center will also provide a flexible facility that can be used for more sophisticated computerized testing of a student's knowledge, skills, and values.

The new building will strengthen and expand the distance learning program, which is essential for the University. It will provide an important venue for professional continuing education in the community to include blended, online, and distance learning. The Center will also provide a location where the faculty and students of all the Health Science Center's schools can interact to provide an Interprofessional Educational Experience across disciplines.

The existing gross anatomy facilities are outdated and do not meet the current accreditation requirements of the Texas Anatomical Board. The Liaison Committee on Medical Education, the accrediting body for the Medical School, states that in addition to classrooms, there is a need for an accessible student lounge and study space. Current space restrictions prohibit renovation of the existing gross anatomy labs to accommodate additional students.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 30-35 years
- Building Systems: 25-30 years
- Interior Construction: 10-20 years

Elements of the exterior appearance and finish are consistent with existing campus buildings and with the existing Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish are consistent with similar existing campus buildings.

10. U. T. Austin: Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation project - Amendment of the FY 2013-2018 Capital Improvement Program to increase the total project cost; approval to revise funding sources; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents approve the recommendations for the Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation project at U. T. Austin as follows:

Project No.:	102-577		
Project Delivery Method:	Construction Manager-at-Risk		
Substantial Completion Date:	July 2014		
Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$ 28,000,000	\$ 46,000,000
	Gifts	\$ 7,820,000	\$ 7,820,000
	Unexpended Plant Funds ²	\$ 1,250,000	\$ 1,250,000
	Auxiliary Enterprises Balances ³	\$ 0	\$ 7,000,000
		<u>\$ 37,070,000</u>	<u>\$ 62,070,000</u>

Funding Notes:

¹ Revenue Financing System debt is proposed to be repaid from Auxiliary Enterprises Balances.
² Unexpended Plant Funds are from indirect cost recovery.
³ Auxiliary Enterprises Balances are from athletics operations.

- a. amend the FY 2013-2018 Capital Improvement Program (CIP) to increase the total project cost from \$37,070,000 to \$62,070,000;
- b. revise funding sources to include Auxiliary Enterprises Balances;
- c. appropriate and authorize expenditure of an additional \$18,000,000 from Revenue Financing System Bond Proceeds and \$7,000,000 from Auxiliary Enterprises Balances; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and

- U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$18,000,000.

BACKGROUND INFORMATION

Debt Service

The \$18,000,000 in aggregate Revenue Financing System debt will be repaid from athletics revenues. Annual debt service on the \$18,000,000 Revenue Financing System debt is expected to be \$1.4 million. The institution's debt service coverage for the Athletics Operations including this debt issue is expected to be at least 1.1 times and average 1.4 times over FY 2013-2018.

Previous Board Actions

On August 12, 2010, the project was included in the CIP with a total project cost of \$17,700,000 with funding of \$12,000,000 from Revenue Financing System (RFS) Bond Proceeds and \$5,700,000 from Gifts. On January 21, 2011, the Chancellor approved the design development plans and authorized expenditure of funds. On August 25, 2011, the Board approved an increase in total project cost to \$33,700,000 with additional funding of \$16,000,000 from RFS. On November 14, 2011, the Chancellor approved the increase in total project cost from \$33,700,000 to \$36,700,000 and revised the funding to include \$3,000,000 from Unexpended Plant Funds. On September 25, 2012, the Chancellor approved an increase in total project cost from \$36,700,000 to \$37,070,000 and revised the funding to \$28,000,000 from RFS, \$7,820,000 from Gifts, and \$1,250,000 from Unexpended Plant Funds.

Project Description

This request will fit out shell space in the Darrell K Royal - Texas Memorial Stadium North End Zone basement for U. T. Austin Women's volleyball practice facilities and additional athletics offices and renovate areas in L. Theo Bellmont Hall for academic programs as well as Stadium concourse and restroom facilities upgrades. Renovations to levels five, seven, and most of eleven have not been made in the last 30 to 40 years.

This project will further consolidate the athletics offices into one portion of the Stadium, thus reducing operating expenses and streamlining operations. The Stadium's Bellmont Hall renovations for Kinesiology, Health Education, and the College of Fine Arts will provide much needed training, classroom, and performance space for academic programs. The other renovations in Bellmont Hall will provide code compliance and better access to the older portions of the Stadium.

Combining this additional scope of work into the existing project will allow both U. T. Austin Athletics and the named academic departments to efficiently and expeditiously meet objectives.