



TABLE OF CONTENTS FOR FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

Committee Meeting: 5/11/2005

Austin, Texas

Board Meeting: 5/12/2005

Austin, Texas

John W. Barnhill, Jr., Chairman

H. Scott Caven, Jr.

Rita C. Clements

Robert A. Estrada

Woody L. Hunt

	Committee Meeting	Board Meeting	Page
Convene	<i>2:30 p.m. Chairman Barnhill</i>		
1. U. T. System: Consideration of designation of the U. T. Austin Applied Research Lab Expansion - Phase II project as architecturally or historically significant	<i>2:35 p.m. Action Mr. Sanders</i>	Not on Agenda	60
2. U. T. Austin: Institute for Geophysics and Advanced Computing Center - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>2:38 p.m. Action Mr. Sanders</i>	Action	60
3. U. T. Austin: MRI Imaging Center, Phase I and II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce appropriation of funds; approval to increase funding source; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>2:43 p.m. Action Mr. Sanders</i>	Action	62
4. U. T. Dallas: Parking Garage I - Request for approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>2:48 p.m. Action Mr. Sanders</i>	Action	64
5. U. T. Pan American: Student Housing Phase II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>2:53 p.m. Action Mr. Sanders</i>	Action	66

	Committee Meeting	Board Meeting	Page
6. U. T. San Antonio: Biotechnology, Sciences and Engineering Building, Phase II (formerly East Campus Building Phase I) - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce the total project cost; approval of design development; and approval of evaluation of alternative energy economic feasibility	<i>2:58 p.m.</i> Action <i>Mr. Sanders</i>	Action	68
7. U. T. San Antonio: Recreation and Wellness Facilities, Phase II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>3:03 p.m.</i> Action <i>Mr. Sanders</i>	Action	70
8. U. T. San Antonio: Thermal Energy Plant No. 2 - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; appropriation of additional funds and authorization of expenditure; and resolution regarding parity debt	<i>3:08 p.m.</i> Action <i>Mr. Sanders</i>	Action	72
9. U. T. San Antonio: University Center Expansion Phase III - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease the total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>3:13 p.m.</i> Action <i>Mr. Sanders</i>	Action	73
10. U. T. Southwestern Medical Center - Dallas: Biosafety Level Three Laboratory - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; resolution regarding parity debt; and redesignation of project as the Clean Rodent Housing/Biosafety Level Three Laboratory	<i>3:18 p.m.</i> Action <i>Mr. Sanders</i>	Action	76
11. U. T. Health Science Center - Houston: Replacement Research Facility - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase total project cost and appropriation of funds and authorization of expenditure	<i>3:21 p.m.</i> Action <i>Mr. Sanders</i>	Action	78
12. U. T. Health Science Center - San Antonio: Teaching/Learning Lab - Laredo - Request for approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt	<i>3:24 p.m.</i> Action <i>Mr. Sanders</i>	Action	80

	Committee Meeting	Board Meeting	Page
13. U. T. M. D. Anderson Cancer Center: Honoric naming of the animal facility in the Clinical Research Building as The John H. Jardine Center for Veterinary Medicine and Surgery	<i>3:28 p.m.</i> Action <i>Mr. Sanders</i>	Action	82
Adjourn	<i>3:30 p.m.</i>		

- U. T. System: Consideration of designation of the U. T. Austin Applied Research Lab Expansion - Phase II project as architecturally or historically significant**

RECOMMENDATION

It is recommended that the Committee review the following project scheduled for architectural selection for possible designation as architecturally or historically significant pursuant to the Regents' *Rules and Regulations*, Series 80302:

U. T. Austin

Applied Research Lab Expansion - Phase II
 Proposed Project Cost: \$2,500,000
 Anticipated Delivery Method: Construction Manager at Risk

- U. T. Austin: Institute for Geophysics and Advanced Computing Center - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Faulkner that the U. T. Board of Regents approve the recommendations for the Institute for Geophysics and Advanced Computing Center project at The University of Texas at Austin as follows:

Project Number: 102-128

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: September 2006

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Designated Tuition	\$18,000,000	
	Revenue Financing System Bond Proceeds		\$16,944,000
	Interest on Local Funds		<u>\$ 3,500,000</u>
			\$20,444,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost;
- b. revise the funding sources;
- c. approve design development plans;
- d. approve the evaluation of alternative energy economic feasibility;
- e. appropriate funds and authorize expenditure of funds; and
- f. 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. 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$16,944,000.

BACKGROUND INFORMATION

Debt Service

The \$16,944,000 debt service in Revenue Financing System debt will be repaid from indirect cost recovery from the building use and the John A. and Katherine G. Jackson endowment. Total annual debt service on the project is estimated at \$1,165,839. Debt service coverage on the project is expected to be at least 5.99 times.

Previous Board Action

On August 8, 2001, the project was included in the CIP with a preliminary project cost of \$18,000,000 with funding from Designated Tuition.

Project Description

The project will consist of a three-story facility with approximately 95,000 gross square feet to include research offices, work areas, seminar and training areas for the Institute for Geophysics, and offices and a computer machine room for the Texas Advanced Computing Center (TACC). Common spaces include a reception area, display areas, a lunch room, and parking. The project site is located on the J. J. Pickle Research Campus.

The increase in total project cost is necessary to provide a new, three-story connection between the existing Bureau of Economic Geology Building and the new building. The new connecting lobby of the new John A. and Katherine G. Jackson School of Geosciences will allow interaction of personnel between the buildings on three levels. The increase will also provide funding for 24 additional offices for the TACC. Changing the funding for the current planned scope of the project will adjust the financial model to optimize the amount of debt on the project.

This facility is needed to provide advanced computing resources, including both computing systems and software, and conducting research development activities that enhance the capabilities of advanced computing resources.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

3. **U. T. Austin: MRI Imaging Center, Phase I and II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce appropriation of funds; approval to increase funding source; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Faulkner that the U. T. Board of Regents approve the recommendations for the MRI Imaging Center, Phase I and II project at The University of Texas at Austin as set forth on Page 63.

Project Number: 102-197

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: November 2005

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Unexpended Plant Funds	\$2,100,000	\$1,500,000
	Revenue Financing System Bond Proceeds	\$2,550,000	\$3,150,000
	Gifts	<u>\$ 850,000</u>	<u>\$ 850,000</u>
		\$5,500,000	\$5,500,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to reduce the appropriation of \$2,100,000 to \$1,500,000 from Unexpended Plant Funds;
- b. increase the funding source from \$2,550,000 to \$3,150,000 from Revenue Financing System Bond Proceeds;
- c. appropriate funds and authorize expenditure of additional funds of \$600,000; 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. 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$600,000.

BACKGROUND INFORMATION

Debt Service

The additional \$600,000 in Revenue Financing System debt will be repaid from net lease revenues generated by the project. Annual debt service on the total \$3,150,000 is estimated at \$204,912. Debt service coverage on the project is expected to be at least 1.25 times and average 1.36 times over the first five years of operation.

Previous Board Actions

On February 4, 2004, the project was included in the CIP with a preliminary project cost of \$5,500,000 with funding from Grants. On August 12, 2004, the Board approved the design development plans and revised the funding sources for a total project cost of \$5,500,000 with funding of \$2,100,000 from Unexpended Plant Funds, \$2,550,000 from Revenue Financing System Bond Proceeds, and \$850,000 from Grants.

Project Description

The MRI Imaging Center, Phase I and II at U. T. Austin will construct a facility containing approximately 9,000 gross square feet to house a 3-Tesla MRI. U. T. Austin will utilize the new MRI Imaging Center to focus on education and research in the fields of imaging, bio-behavioral substance abuse disorders, and bioengineering. Modifying the funding sources will more specifically reflect the actual and final financing for the project and will allow completion of construction.

U. T. Austin has developed a relationship with the Central Texas Veterans Health Care System (CTVHCS) and The University of Texas Medical Branch at Galveston to establish a joint imaging center. CTVHCS will use the MRI Center primarily for research concerning the aging process, brain and spinal cord injuries, dementia and neuronal degeneration, major psychosis, mood disorder and stress, sensory disorder, and substance abuse.

- 4. U. T. Dallas: Parking Garage I - Request for approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Jenifer that the U. T. Board of Regents approve the recommendations for the Parking Garage I project at The University of Texas at Dallas as set forth on Page 65.

Project Number: 302-206

Architecturally or Historically Significant: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: August 2006

Total Project Cost:	<u>Source</u>	<u>Current</u>
	Revenue Financing System Bond Proceeds	\$8,000,000

- a. approve design development plans;
- b. approve the evaluation of alternative energy economic feasibility;
- c. appropriate funds and authorize expenditure of funds; 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. 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$8,000,000.

BACKGROUND INFORMATION

Debt Service

The \$8,000,000 debt service in Revenue Financing System debt will be repaid from net revenues generated by increases for parking decals and parking fees that went into effect last year. Total annual debt service on the project is estimated at \$581,191. Debt service coverage on the project is expected to be at least 1.40 times and average 1.58 times over the first six years of operation.

Previous Board Action

On August 8, 2003, the project was included in the CIP with a preliminary project cost of \$8,000,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will consist of 160,000 gross square feet and provide an additional 500 parking spaces on the southeast side of campus to accommodate increased parking needs for all users on campus. The parking structure will house 1,500 gross square feet of office space for the parking and transportation department.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

- 5. **U. T. Pan American: Student Housing Phase II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Cárdenas that the U. T. Board of Regents approve the recommendations for the Student Housing Phase II project at The University of Texas - Pan American as follows:

Project Number: 901-125

Architecturally or Historically Significant: Yes No

Project Delivery Method: Design/Build

Substantial Completion Date: August 2006

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$12,800,000	\$12,500,000

- a. decrease total project cost;
- b. approve design development plans;
- c. approve the evaluation of alternative energy economic feasibility;
- d. appropriate funds and authorize expenditure of funds; and
- e. 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. Board of Regents relating to the Financing System; and
 - U. T. Pan American, 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$12,500,000.

BACKGROUND INFORMATION

Debt Service

The \$12,500,000 in Revenue Financing System debt will be repaid from net revenues generated on the project. Total annual debt service on the student housing project is estimated at \$1,045,992. Overall debt service coverage for Student Housing is expected to average 1.43 times over the next five years of operation.

Previous Board Action

On March 10, 2005, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$12,800,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will contain dormitory style housing with 400 beds in two residential buildings with four floors. This state-of-the-art residential facility will house undergraduate

students and be arranged in a suite configuration. Common areas will include study rooms, computer rooms, meeting rooms, and support areas. The total project cost was decreased to match the debt capacity to move the project forward.

Two dormitories built in 1969 house a total of 384 beds. The Student Housing Phase I project completed in May 2000 provided housing for approximately 225 students. Even with this project, occupancy for on-campus housing is full. Because of the 1,000 additional freshmen anticipated for Fall 2006 from the UTPA GEARUP program to encourage students to take a college-track program in high school and prepare for college attendance, the new residence hall will attract more students to stay on campus.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

6. **U. T. San Antonio: Biotechnology, Sciences and Engineering Building, Phase II (formerly East Campus Building Phase I) – Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce the total project cost; approval of design development; and approval of evaluation of alternative energy economic feasibility**

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. Board of Regents approve the recommendations for the Biotechnology, Sciences and Engineering Building, Phase II project (formerly East Campus Building Phase I) at The University of Texas at San Antonio as follows:

Project Number: 401-205
Architecturally or Historically Significant: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: December 2007

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$72,000,000	
	Gifts	\$ 3,000,000	
	Funding source to be identified at a later date:	-	<u>\$56,000,000</u>
		<u>\$75,000,000</u>	

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost;
- b. approve design development plans; and
- c. approve the evaluation of alternative energy economic feasibility.

BACKGROUND INFORMATION

Previous Board Actions

On November 13, 2003, the project was added to the CIP as the East Campus Building Phase I with a preliminary project cost of \$75,000,000 with funding of \$72,000,000 from Revenue Financing System Bond Proceeds and \$3,000,000 from Gifts. On April 12, 2004, the Chancellor approved the non-honorific name change for the project.

Project Description

The project will consist of approximately 150,000 gross square feet to house research facilities for the College of Engineering and the Department of Physics and Astronomy in the College of Sciences. Planning includes seminar rooms and conferencing facilities, research laboratories, faculty and staff offices, and student and faculty support facilities. The decrease in the total project cost will provide the four-story research building with two of the four levels shelled pending additional funding. Approval of funding sources will be revised and authorization of any spending and debt will occur at a later date.

The new Biotechnology, Sciences, and Engineering Building, Phase II will support new research programs in engineering and physics being pursued in areas of bioengineering, biomolecular modeling, emerging infectious agents, oncology, bioinformatics, aerospace research, environmental sciences, and neurobiology as well as enabling the recruitment of high-quality research faculty.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

7. **U. T. San Antonio: Recreation and Wellness Facilities, Phase II - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to reduce the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

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. Board of Regents approve the recommendations for the Recreation and Wellness Facilities, Phase II project at The University of Texas at San Antonio as follows:

Project Number: 401-212

Architecturally or Historically Significant: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: July 2007

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$44,000,000	\$39,000,000
	Unexpended Plant Funds		\$ 1,000,000
	Student Fees		<u>\$ 2,000,000</u>
			\$42,000,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost;
- b. revise the funding sources;
- c. approve design development plans;
- d. approve the evaluation of alternative energy economic feasibility;
- e. appropriate funds and authorize expenditure of funds; and
- f. 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. Board of Regents relating to the Financing System; and

- U. T. San Antonio, 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$39,000,000.

BACKGROUND INFORMATION

Debt Service

The \$39,000,000 in Revenue Financing System debt will be repaid from net revenues generated from an increased fee for Health Services. Total annual debt service on the project is estimated at \$2,833,308. Debt service coverage for Health Services is expected to be at least 1.21 times and average 1.41 times over the next five years of operation.

Previous Board Action

On August 12, 2004, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$44,000,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will consist of 131,473 gross square feet of new construction to include indoor and outdoor pools, gymnasiums, jogging track, new locker areas, student services, and support areas. The second element of the project will renovate approximately 30,986 gross square feet to create recreation areas, support spaces, health services, and parking areas. The decrease in the total project cost is due to the removal of the Child Development Center, Phase II component.

This facility is needed to provide quality recreation and wellness opportunities essential to student services while keeping pace with enrollment growth including renovation to existing space and life safety upgrades.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

8. U. T. San Antonio: Thermal Energy Plant No. 2 - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; appropriation of additional funds and authorization of expenditure; and resolution regarding parity debt

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. Board of Regents approve the recommendations for the Thermal Energy Plant No. 2 project at The University of Texas at San Antonio as follows:

Project Number: 401-177

Architecturally or Historically Significant: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: April 2006

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$16,500,000	\$25,900,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost from \$16,500,000 to \$25,900,000 with additional funding of \$9,400,000 from Revenue Financing System Bond Proceeds;
- b. appropriate additional funds and authorize expenditure of 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. Board of Regents relating to the Financing System; and

- U. T. San Antonio, 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$9,400,000.

BACKGROUND INFORMATION

Debt Service

The additional \$9,400,000 debt service in Revenue Financing System debt will be repaid from parking fees generated by the project. Total annual debt service on the project is estimated at \$682,900. Debt service coverage for Parking Operations is expected to be at least 1.33 times and average 1.50 times over the first five years of operation.

Previous Board Actions

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$8,000,000 with funding from Designated Tuition. On November 5, 2004, the Board approved design development plans and increased the total project cost to \$16,500,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The scope of the project will be increased with the addition of a five-level, 530-space parking garage. The thermal energy plant will support the University Center Expansion Phase III; Biotechnology, Sciences and Engineering Building, Phase II; and the Recreation and Wellness Facilities, Phase II.

9. **U. T. San Antonio: University Center Expansion Phase III - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to decrease the total project cost; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

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. Board of Regents approve the recommendations for the University Center Expansion Phase III project at The University of Texas at San Antonio as set forth on Page 74.

Project Number: 401-174

Architecturally or Historically Significant: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: November 2007

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$32,200,000	\$25,000,000
	Parking Fees		<u>\$ 200,000</u>
			\$25,200,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to decrease the total project cost;
- b. approve design development plans;
- c. approve the evaluation of alternative energy economic feasibility;
- d. appropriate funds and authorize expenditure of funds; and
- e. 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. Board of Regents relating to the Financing System; and
 - U. T. San Antonio, 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$25,000,000.

BACKGROUND INFORMATION

Debt Service

The \$25,000,000 in Revenue Financing System debt will be repaid from net revenues generated by the project. Total annual debt service on the project is estimated at \$1,816,223. Upon completion, the project is expected to achieve debt service coverage of at least 1.35 times.

Previous Board Action

On August 7, 2003, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$32,200,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The project will consist of facilities to include meeting rooms, food services and dining facilities, student advising and administrative offices, program and reception space for student organizations including a large function venue, student lounges, study spaces, an art gallery, and storage/support areas. The decrease in total project cost is due to the removal of the parking garage component that will be included with the Thermal Energy Plant No. 2 project (see Item 8 on Page 72).

This expansion is needed to provide essential student services while keeping pace with enrollment growth including renovation to existing space and life safety upgrades.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

10. U. T. Southwestern Medical Center - Dallas: Biosafety Level Three Laboratory - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase the total project cost; approval to revise funding sources; approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; resolution regarding parity debt; and redesignation of project as the Clean Rodent Housing/Biosafety Level Three Laboratory

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Wildenthal that the U. T. Board of Regents approve the recommendations for the Biosafety Level Three Laboratory project at The University of Texas Southwestern Medical Center at Dallas as follows:

Project Number: 303-203

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: December 2007

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Grants	\$7,200,000	
	Unexpended Plant Funds	\$2,400,000	
	Revenue Financing System Bond Proceeds	-	\$25,000,000
		\$9,600,000	\$25,000,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost;
- b. revise the funding sources;
- c. approve design development plans;
- d. approve the evaluation of alternative energy economic feasibility;
- e. appropriate funds and authorize expenditure of funds;
- f. 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. Board of Regents relating to the Financing System; and
 - U. T. Southwestern Medical Center - 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. Board of Regents of tax-exempt parity debt in the aggregate amount of \$25,000,000; and
- g. redesignate the project as the Clean Rodent Housing/Biosafety Level Three Laboratory.

BACKGROUND INFORMATION

Debt Service

The \$25,000,000 debt service in Revenue Financing System debt will be repaid from indirect cost recovery revenues. Total annual debt service on the project is estimated at \$2,179,614. Debt service coverage on the project is expected to be at least 1.24 times and average 1.85 times over the first seven years of operation.

Previous Board Action

On August 7, 2001, the project was included in the CIP with a preliminary project cost of \$9,600,000 with funding of \$7,200,000 from Grants and \$2,400,000 from Unexpended Plant Funds.

Project Description

The proposed facility is projected to be four stories containing 75,780 gross square feet. Two floors will initially be finished-out as barrier-free vivarium facilities to include areas for animal holding, procedures, cage-washing, autoclave, and associated material handling and storage. The remaining two floors will initially be shell space for future research and support. The building will require two loading docks, one for clean incoming material and one for dirty outgoing material.

This building is necessary to provide a facility to house and conduct research using pathogen-free rodents. The south campus has only a small area for pathogen-free animal holding and research. This area is too small to support the research activities on the south campus. In addition, the autoclave equipment serving the area is at the end of its useful life and cannot support the pathogen-free area. Several studies were prepared to evaluate the feasibility of remodeling existing space. Those studies

indicated that it was more costly and disruptive to remodel than to build a new building. After the new building is occupied, the existing pathogen-free area will be converted to non-pathogen-free space.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

11. U. T. Health Science Center - Houston: Replacement Research Facility - Amendment of the FY 2004-2009 Capital Improvement Program and the FY 2004-2005 Capital Budget to increase total project cost and appropriation of funds and authorization of expenditure

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Willerson that the U. T. Board of Regents approve the recommendations for the Replacement Research Facility project at The University of Texas Health Science Center at Houston as follows:

Project Number: 701-160

Architecturally or Historically Significant: Yes No

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: August 2005

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Tuition Revenue Bond Proceeds	\$23,600,000	\$23,600,000
	Insurance Claims	\$16,600,000	\$16,600,000
	Gifts	\$ 9,330,000	\$34,330,000
	Grants	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>
		\$55,530,000	\$80,530,000

- a. amend the FY 2004-2009 Capital Improvement Program (CIP) and the FY 2004-2005 Capital Budget to increase the total project cost; and
- b. appropriate additional funds and authorize expenditure of funds of \$25,000,000 from Gifts.

BACKGROUND INFORMATION

Previous Board Actions

- Medical School Building - Rooftop Vivarium and Exterior Elevator:

On November 13, 2002, the Vivarium project was added to the Capital Improvement Program (CIP) with a preliminary project cost of \$38,000,000 with funding from Insurance Proceeds. On August 7, 2003, the Board approved appropriation of \$7,300,000 from Tuition Revenue Bond Proceeds for the Vivarium project.

- Basic Science Research Building (formerly Freeman Replacement Building):

On August 8, 2001, the project was included in the CIP with a preliminary project cost of \$80,000,000. On August 12, 2004, the projects were combined and redesignated as the Replacement Research Facility and the preliminary project cost and funding were revised to a preliminary project cost of \$55,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$9,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

On November 5, 2004, the Board approved design development plans and appropriated and authorized expenditure of a preliminary project cost of \$55,530,000 with funding of \$23,600,000 from Tuition Revenue Bond Proceeds, \$9,330,000 from Gifts, \$16,600,000 from Insurance Claims, and \$6,000,000 from Grants.

Project Description

The project consists of a six-story, 208,000 gross square foot research and vivarium building with two completed vivarium floors, one completed research floor and three shell floors.

The scope of the project will be increased to include the build out of three shelled floors. The completion of the build out at this time is important to avoid increased moving costs and to avoid disruption of the students, faculty, and research subjects by the noise and inconvenience of ongoing construction after occupancy of the building.

12. U. T. Health Science Center - San Antonio: Teaching/Learning Lab - Laredo - Request for approval of design development; approval of evaluation of alternative energy economic feasibility; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Cigarroa that the U. T. Board of Regents approve the recommendations for the Teaching/Learning Lab - Laredo project at The University of Texas Health Science Center at San Antonio as follows:

Project Number: 402-136

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: September 2007

Total Project Cost:	<u>Source</u> Tuition Revenue Bond Proceeds	<u>Current</u> \$12,700,000
----------------------------	--	--------------------------------

- a. approve design development plans;
- b. approve the evaluation of alternative energy economic feasibility;
- c. appropriate funds and authorize expenditure of funds; 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. Board of Regents relating to the Financing System; and

- U. T. System institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt parity debt in the aggregate amount of \$12,700,000.

BACKGROUND INFORMATION

Debt Service

Annual debt service on the \$12,700,000 of Tuition Revenue Bonds is projected to be \$1,107,244. While the annual debt service is payable from Pledged Revenues, it is expected that the debt service on Tuition Revenue Bonds will be reimbursed through General Revenue Appropriations.

Previous Board Action

On August 8, 2001, the project was included in the Capital Improvement Program (CIP) with a preliminary project cost of \$12,700,000 with funding from Tuition Revenue Bond Proceeds.

Project Description

The project will provide approximately 38,337 gross square feet dedicated to instruction and research. The primary activity areas include an instructional skills lab, clinic simulation, instruction classrooms, a library, office administration, and a shell area for future laboratory space. The project will also include renovation of approximately 1,240 square feet in the existing D. D. Hachar Building.

Texas Government Code Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

The economic impact of the project will be reported to the U. T. Board of Regents as part of the design development presentation.

13. **U. T. M. D. Anderson Cancer Center: Honorific naming of the animal facility in the Clinical Research Building as The John H. Jardine Center for Veterinary Medicine and Surgery**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, the Vice Chancellor for External Relations, and President Mendelsohn that the U. T. Board of Regents approve the naming of the animal facility in the Clinical Research Building as The John H. Jardine Center for Veterinary Medicine and Surgery.

BACKGROUND INFORMATION

The animal facility contains 54,857 square feet in the basement of the Clinical Research Building, which opened in 1999. The space includes five operating rooms, two specialized surgical laboratories, an intensive care unit, a microsurgery suite for training reconstructive and plastic surgeons, diagnostic imaging equipment for MRI and CT scans, comprehensive pathology and laboratory medicine suites, a cobalt radiotherapy unit, a clinic devoted to non-surgical procedures, a tumor biology laboratory, specialized housing for large animals, and offices for the veterinary faculty and staff.

The late John H. Jardine, D.V.M., became U. T. M. D. Anderson Cancer Center's first veterinarian when he joined the staff in 1962. For almost 30 years, he directed the veterinary medical and surgical services that were an increasingly important part of the institution's contributions to cancer research and patient care. When he retired in 1991 as head of the Division of Veterinary Medicine and Surgery, U. T. M. D. Anderson had the largest program supporting animal research at a comprehensive cancer center in the country.

Dr. Jardine was born in Birmingham, Alabama, and received his bachelor's degree from Louisiana Polytechnic Institute in 1954. He served in the U.S. Air Force, including active duty during the Korean conflict, before receiving his doctor of veterinary medicine degree from Texas A&M University in 1962. That same year, U. T. M. D. Anderson President R. Lee Clark invited Dr. Jardine to join his staff and develop an animal care program. Probably because Dr. Clark was an accomplished cancer surgeon and Dr. Jardine enjoyed the surgical part of veterinary care, the two men formed a bond that led to many pioneering research advances at U. T. M. D. Anderson Cancer Center.

Soon after joining the U. T. M. D. Anderson Cancer Center staff, Dr. Jardine began directing an animal oncology referral service for owners of pets (primarily dogs and cats) diagnosed with cancer. Surgery, radiation, chemotherapy and immunotherapy or in many cases a combination of similar treatments available to humans were provided. Remissions in some cancers, notably canine lymphoma, were achieved for as long as seven years. The pet referral program was discontinued after board certification in veterinary oncology was initiated and these specialists were available in the community.

Dr. Jardine was largely responsible for turning Dr. Clark's dream of the two-unit Science Park in Bastrop County into reality. Dr. Jardine coordinated plans for the Department of Veterinary Sciences, which was established in 1975, to provide multiple animal species needed for research at U. T. M. D. Anderson Cancer Center along with other U. T. System institutions and by state agencies.

Dr. Jardine was a frequent consultant for new research animal buildings and an advisor about animal research programs at other institutions. He was a charter member of the American Society of Laboratory Animal Practitioners in 1966 and active in several other major professional organizations. He received the 1983 Distinguished Achievement Award from the Texas Veterinary Medical Association and the 1993 Distinguished Alumnus Award from Texas A&M University's College of Veterinary Medicine. He published more than 50 papers in scientific journals and participated in many public education programs about animal health and welfare.

Today, U. T. M. D. Anderson's Clinical Research Building animal facilities contain the most advanced housing, clinic and surgery units, laboratory medicine and pathology laboratories, diagnostic imaging and radiotherapy equipment, all of which were inspired by the vision and perseverance of Dr. Jardine.

The proposed naming of the animal facility in the Clinical Research Building at U. T. M. D. Anderson Cancer Center to recognize the distinguished contributions of Dr. John H. Jardine, who died in 1997, is consistent with the Regents' *Rules and Regulations*, Series 80307, relating to honorific naming of facilities.