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FOR
FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

Committee Meeting: 5/14/2008

Board Meeting: 5/15/2008
Tyler, Texas

James R. Huffines, Chairman
James D. Dannenbaum
Printice L. Gary
Janiece Longoria (Chairing May 15 portion of meeting)

1. U. T. Southwestern Medical Center - Dallas: Intraoperative Magnetic Resonance Imaging Facility - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and authorization of institutional management

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Wildenthal that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Intraoperative Magnetic Resonance Imaging Facility project at The University of Texas Southwestern Medical Center at Dallas as follows:

Project Delivery Method: Construction Manager at Risk

Institutional Managed: Yes ☒ No ☐

Substantial Completion Date: August 2009

Total Project Cost:	Source	Proposed
	Medical Services, Research and Development/Professional Fees (MSRDP)	$4,900,000

a. approve a total project cost of $4,900,000 with funding from MSRDP;

b. appropriate funds and authorize expenditure; and

c. authorize U. T. Southwestern Medical Center - Dallas to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

Project Description

The project will remodel 3,200 gross square feet in the surgery suite at Zale Lipshy University Hospital to accommodate new Intraoperative Magnetic Resonance Imaging (IMRI) equipment. Two existing surgery rooms will be affected. One room will be used for the imaging equipment, and one will be used for the surgery navigation system. The IMRI room will require both magnetic and radio frequency (RF) shielding. There will be major reconfigurations of the heating, air conditioning, and electrical systems, and significant structural modifications. The exterior pre-cast wall will be removed and reinstalled to accommodate placement of the IMRI equipment.

The IMRI equipment is needed to provide the highest quality of service and the latest technology for diagnostic and interventional imaging. The IMRI equipment will be used by faculty recognized for their expertise in neurological surgery and for outpatient and inpatient diagnostic and interventional imaging.

This proposed off-cycle repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. It has been determined that the project would best be managed by the U. T. Southwestern Medical Center - Dallas Facility Management personnel who have the experience and capability to manage all aspects of the work.

2. U. T. Health Science Center - Houston: Build Out of Floor 6 for Biomedical Engineering - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Willerson that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Build Out of Floor 6 for Biomedical Engineering project at The University of Texas Health Science Center at Houston as follows:

Project No.: 701-401

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: November 2009

Total Project Cost:

Source	Current
Revenue Financing System Bond Proceeds	$14,000,000

Investment Metrics:

- Researchers undergoing training within the Center for Advanced Biomedical Imaging Research (CABIR) – postdoctoral and junior faculty – 12 per year by the 4th quarter 2011 and predoctoral – 13 per year by the 4th quarter 2011
- Number of researchers (faculty, staff, and trainees housed) within the CABIR – 100 by the 4th quarter 2011
- Research expenditures per net assignable square foot within CABIR – $350 by the 4th quarter 2011

a. approve a total project cost of $14,000,000 with funding from Revenue Financing System Bond Proceeds;

b. appropriate funds and authorize expenditure; 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. Health Science Center - Houston, 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 $14,000,000.

BACKGROUND INFORMATION

Debt Service

The $14,000,000 in Revenue Financing System debt will be repaid from institutional funds. Annual debt service on the $14,000,000 Revenue Financing System debt is expected to be $1,000,000. The institution's debt service coverage is expected to average 2.0 times over FY 2008-2013.

Project Description

The CABIR is a jointly owned facility between U. T. Health Science Center - Houston and U. T. M. D. Anderson Cancer Center. The University of Texas Interinstitutional Biomedical Engineering Department is a collaborative venture of U. T. Austin, U. T. Health Science Center - Houston, and U. T. M. D. Anderson Cancer Center. The build-out of the sixth floor of the CABIR will contain approximately 33,500 gross square feet to support education and research for the Department of Biomedical Engineering. The research facilities will include specialized laboratories to support nanotechnology research, research on the development of advanced imaging technologies, facilities for the design, development, and evaluation of robotic devices with application as assistive technologies for persons with disabilities, and neuroengineering. The educational facilities will include laboratory and office space for graduate and postgraduate trainees as well as conference areas and administrative support facilities.

This proposed off-cycle repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP.

3. U. T. Health Science Center - San Antonio: Recreation and Wellness Center - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; and authorization of institutional management

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Cigarroa that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Recreation and Wellness Center project at The University of Texas Health Science Center at San Antonio as follows:

Project No.: 402-403

Institutional Managed: Yes ☒ No ☐

Project Delivery Method: Design/Build

Substantial Completion Date: January 2009

Total Project Cost:

Source	Current
Revenue Financing System Bond Proceeds	$5,500,000

Investment Metrics:

- Project will increase exercise space for students by more than 29,000 square feet by 2009.
- Project will provide exercise space for approximately 2,800 students and additional 1,200 faculty and staff in the Medical Center by 2009.

a. approve a total project cost of $5,500,000 with funding from Revenue Financing System Bond Proceeds; and

b. authorize U. T. Health Science Center - San Antonio to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

The project will house a new recreation and wellness facility of approximately 37,000 gross square feet located on the main campus. The center will include space for workout rooms, cardiovascular and weight training, an outdoor pool, and gymnasium. The facility will be open 24 hours a day, seven days a week to accommodate the various schedules of students, faculty, and staff. This project will build the shell and finish out the gymnasium. The facility operator will complete the interior finish-out and construct an outdoor pool.

U. T. Health Science Center - San Antonio students are in need of adequate exercise or recreation facilities. This project will construct a center to accommodate the students providing space for fitness classes and intramurals, and a casual gathering space for the students.

This proposed off-cycle project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. It has been determined that this project would best be managed by the U. T. Health Science Center - San Antonio Facility Management personnel who have the experience and capability to manage all aspects of the work.

4. U. T. M. D. Anderson Cancer Center: Kirby Facility Build Out - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; and appropriation of funds and authorization of expenditure

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Mendelsohn that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Kirby Facility Build Out at The University of Texas M. D. Anderson Cancer Center as follows:

Project Delivery Method: Competitive Sealed Proposals

Institutional Managed: Yes ☒ No ☐

Substantial Completion Date: December 2008

Total Project Cost:

Source	Proposed
Hospital Revenues	$4,700,000

Investment Metrics:

- Relocate the remaining administrative offices within the Houston Main Building to the Kirby Facility by December 2008
- Relocate Medical Records offices from the main campus complex to the Kirby Facility by December 2008
- Provide temporary space at a lower cost compared to other available facilities until space becomes available in the new Administrative Support Building currently estimated to be 2012

a. approve a total project cost of $4,700,000 with funding from Hospital Revenues; and

b. appropriate funds and authorize expenditure of funds.

BACKGROUND INFORMATION

Project Description

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. The institutionally managed projects are subject to review by the Board of Regents for design development.

U. T. M. D. Anderson Cancer Center requires temporary space for employees as plans continue for the demolition of the Houston Main Building to make way for new clinical facilities and the construction of the Administrative Support Building. To meet this need, U. T. M. D. Anderson Cancer Center is requesting approval to build-out the tenant space leased on Kirby Drive to serve as interim offices and swing space as the Mid-Campus area is developed.

This proposed off-cycle repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP.

5. U. T. Arlington: Engineering Research Complex - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval to revise the funding sources; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Spaniolo that the U. T. System Board of Regents approve the recommendations for the Engineering Research Complex project at The University of Texas at Arlington as follows:

Project No.: 301-258

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: January 2011

Total Project Cost:

Source	Current	Proposed
Unexpended Plant Funds		$ 12,780,000
Permanent University Fund Bond Proceeds	$ 37,000,000	$ 37,000,000
Revenue Financing System Bond Proceeds	$ 18,000,000	$ 18,000,000
Tuition Revenue Bond Proceeds	$ 70,430,000	$ 70,430,000
	$125,430,000	$138,210,000

Investment Metrics:

- Increase office, teaching, and research space by over 40% for the College of Engineering (COE)
- Increase enrollments to more than 4,000 within five years for the COE
- Add 25 faculty members within five years and increase research funding to $50M within 10 years
- Reach the top 50 in national rankings and have at least two programs in the top 25
- Provide research labs and offices for researchers involved in 18 laboratories in biology, chemistry and biochemistry, physics, neuroscience, and computational mathematics who would be hired over a period of five years
- Accommodate expansion and interact more effectively with engineering researchers
- Triple level of external funding in 10 years to $30M in annual expenditures

a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to increase the total project cost from $125,430,000 to $138,210,000;

b. revise the funding sources to include $12,780,000 from Unexpended Plant Funds;

c. approve design development plans;

d. appropriate funds and authorize expenditure of funds;

e. approve the evaluation of alternative energy economic feasibility; 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. System Board of Regents relating to the Financing System; and

- U. T. Arlington, 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 $88,430,000.

BACKGROUND INFORMATION

Debt Service

The 79th Legislature authorized $70,430,000 of Tuition Revenue Bonds for an engineering research building. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations. The $18,000,000 in Revenue Financing System debt will be repaid from revenues generated by indirect cost recovery. Average annual debt service on the project is estimated at approximately $1,300,000. Debt service coverage is expected to be at least 1.8 times and average 2.5 times over FY 2009 - FY 2014.

Previous Board Actions

Engineering Lab Building Addition - On February 8, 2007, the project was included in the CIP with a total project cost of $10,450,000 with funding from Revenue Financing System Bond Proceeds.

Engineering Research Building - On June 20, 2006, the project was included in the CIP with a total project cost of $80,430,000 with funding of $70,430,000 from Tuition Revenue Bond Proceeds and $10,000,000 from Revenue Financing System Bond Proceeds. On August 10, 2006, the Board approved revising the funding to $70,430,000 from Tuition Revenue Bond Proceeds and $10,000,000 from Permanent University Fund (PUF) Bond Proceeds.

Expansion of Engineering Research Building - On August 10, 2006, the repair and rehabilitation project was included in the CIP with a total project cost of $30,000,000 with funding appropriated in the amount of $27,000,000 from PUF Bond Proceeds and $3,000,000 from Revenue Financing System Bond Proceeds.

Engineering Research Complex - With the adoption of the FY 2008-2013 CIP on August 23, 2007, the projects were combined and redesignated as the Engineering Research Complex with a total project cost of $125,430,000 with funding of $70,430,000 from Tuition Revenue Bond Proceeds, $37,000,000 from PUF Bond Proceeds, and $18,000,000 from Revenue Financing System Bond Proceeds.

Project Description

The project includes a third floor addition of approximately 27,330 gross square feet (GSF) to the existing Engineering Lab Building and minor renovations to the first and second floors. The new construction for the Engineering Research Building will contain approximately 230,000 GSF to provide state-of-the art multidisciplinary teaching and research laboratories, laboratory support spaces, and faculty and student offices. The increase in total project cost is due to an increase in the number of fume hoods in

the Engineering Lab Building as well as more complex lab designs having significant impacts on the mechanical and electrical systems and an increase in the construction estimate for the shell space for the Engineering Research Building.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50-60 years
- Building Systems: 15-25 years
- Interior Construction: 15-25 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 existing campus buildings.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

6. U. T. Austin: Student Activity Center/Phase I - Liberal Arts - Request for approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim 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 Student Activity Center/Phase I - Liberal Arts project at The University of Texas at Austin as follows:

Project No.:	102-248
Architecturally or Historically Significant:	Yes ☒ No ☐
Project Delivery Method:	Construction Manager at Risk
Substantial Completion Date:	September 2010

Total Project Cost:	Source	Current
	Revenue Financing System Bond Proceeds	$69,400,000

Investment Metrics:

- Increase study and lounge space for students in the core of campus by January 2011
- Add much needed meeting rooms of various sizes primarily reserved for student groups by January 2011
- Add 40,000 square feet for a Liberal Arts component that will vacate a nearby building for other uses by January 2011
- Provide space for Liberal Arts to accommodate 20 research laboratories, 50 faculty offices, and 40 graduate student spaces

a. approve design development plans;

b. appropriate funds and authorize expenditure of funds;

c. approve the evaluation of alternative energy economic feasibility; 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 $69,400,000.

BACKGROUND INFORMATION

Debt Service

The $69,400,000 in Revenue Financing System debt will be repaid by designated tuition and interest on local funds. Average annual debt service on the project is estimated at approximately $5,000,000. Debt service coverage is expected to be at least 1.8 times and average 2.1 times over FY 2008 - FY 2013.

Previous Board Actions

On May 11, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of $44,000,000 with funding from Revenue Financing System Bond Proceeds and designated as architecturally significant. On November 9, 2007, the Board approved including the Phase I - Liberal Arts project and the increase in total project cost to $69,400,000 with funding from Revenue Financing System Bond Proceeds.

Project Description

The new building will contain approximately 148,000 gross square feet to house various student activities including study areas, lounges, food service, meeting rooms, classrooms, a blackbox theater, and student government offices. The campus has long needed more space of this nature as the original Texas Student Union built in the 1930s can no longer accommodate all the needs of a student body that has more than doubled since then. A feasibility study was undertaken in 2005, and a student referendum was passed in Spring 2006 to fund this project through student fees. Additionally, the two upper floors will house a Liberal Arts component, which will be funded independently from the John A. and Katherine G. Jackson School of Geosciences.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50-75 years
- Building Systems: 15-25 years
- Interior Construction: 15-25 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 existing campus buildings.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

7. U. T. Brownsville: Science and Technology Learning Center - Request for approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President García that the U. T. System Board of Regents approve the recommendations for the Science and Technology Learning Center project at The University of Texas at Brownsville as follows:

Project No.: 902-271

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: April 2011

Total Project Cost:

Source	Current
Tuition Revenue Bond Proceeds	$33,800,000

Investment Metrics:

Department of Biological Sciences:
- 12 research laboratories for principal investigators
- Support areas such as cold and warm rooms, equipment rooms, and wash areas
- An animal care facility including procedure rooms, feed storage, and staff areas
- Offices for principal investigators as well as administrative support
- A community outreach program including offices for coordinators and an education area

Allied Health Program:
- Provide faculty offices, EMT and storage, sonography, and polysomnography

Emergency Operations Center:
- Provide backup data servers
- Emergency control room and spaces for operation and control of the campus in the event of an emergency

General Purpose Classrooms:
- Classrooms ranging from 130 seats to 30 seats in size

a. approve design development plans;

b. appropriate funds and authorize expenditure of funds;

c. approve the evaluation of alternative energy economic feasibility; 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. Brownsville, 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 $33,800,000.

BACKGROUND INFORMATION

Debt Service

The 79th Legislature authorized $33,800,000 of Tuition Revenue Bonds for a science and technology learning center. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations.

Previous Board Action

On August 10, 2000, the project was included in the Capital Improvement Program (CIP) with a total project cost of $33,800,000 with funding from Tuition Revenue Bond Proceeds.

Project Description

The project consists of 60,000 gross square feet to provide laboratory and teaching space for the biomedical program, an emergency response center, and expansion for the nursing department along with classrooms and seminar rooms and faculty and departmental offices. The building would incorporate general purpose administrative and student support office space.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50-75 years
- Building Systems: 15-25 years
- Interior Construction: 15-25 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 existing campus buildings.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

8. U. T. Dallas: Campus Landscape Enhancement Project - Request for approval of design development

RECOMMENDATION

The Chancellor ad interim 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 design development for the Campus Landscape Enhancement Project at The University of Texas at Dallas as follows:

Project No.: 302-244

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: July 2009

Total Project Cost:

Source	Current
Gifts	$25,000,000
Revenue Financing System Bond Proceeds	$ 5,000,000
	$30,000,000

BACKGROUND INFORMATION

Previous Board Actions

On May 10, 2006, the repair and rehabilitation project was included in the Capital Improvement Program (CIP) with a total project cost of $10,000,000 and funding appropriated from Gifts. On February 7, 2008, the Board approved the increase of the total project cost from $10,000,000 to $30,000,000 with revised funding sources of $25,000,000 from Gifts and $5,000,000 from Revenue Financing System Bond Proceeds, and appropriated funding.

Project Description

The enhancement of the U. T. Dallas campus landscape master plan is intended to create a visually attractive perimeter to the campus and central plaza and other areas. This project will provide green spaces, water features, and a significant central plaza where students, faculty, and staff can congregate.

This request is to approve the design development plans for the construction of the Peter Walker and Partners (PWP) design. The landscape master plan has identified two areas to be addressed for the project - the Mall and University Parkway including the entry circle at the School of Management. Each of these areas will assist with both the activation of social space on the campus as well as the overall creation of a new identity for U. T. Dallas. The Mall will provide a fabric of open space that links the existing Eugene McDermott Library and Student Union Building and extends to the south to link the School of Management and the Student Activity Center. The forestation of University Parkway will enhance the front door vehicular entrance to the campus.

The project will be split into four distinct areas to include the forestation of University Parkway with new densely planted vegetation to resemble the forested creeks on the east and west edges of campus; construction, landscaping, and roadwork for a new traffic circle at the northern end of University Parkway and the southern termination of the new campus mall; construction of a new landscaped mall with water feature, landscaping, and covered pedestrian walkways; and construction of a high canopy trellis above the library plaza with flowering plants and a water feature at the northern end of the new campus mall.

9. U. T. Tyler: Art Studio Addition portion of the Completion/Renovation/ Expansion of the Engineering, Science and Technology Building project - Request for approval of design development and authorization of institutional management

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Mabry that the U. T. System Board of Regents approve the recommendations for the Art Studio Addition portion of the Completion/Renovation/Expansion of the Engineering, Science and Technology Building project at U. T. Tyler as follows:

Project No.: 802-265
Institutional Managed: Yes ☒ No ☐
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: December 2009

Total Project Cost:

Source	Current
Tuition Revenue Bond Proceeds	$43,200,000
Permanent University Fund Bond Proceeds	$ 4,800,000
Gifts	$ 1,300,000
	$49,300,000

Total Project Cost for Art Studio Addition:

Source	Current
Tuition Revenue Bond Proceeds	$5,727,000
Permanent University Fund Bond Proceeds	$ 73,000
Gifts	$1,300,000
	$7,100,000

Investment Metrics:

- Increase capacity for art studio class sections and subsequent increase in art majors; the number of art majors is projected to increase by 15% per year from 100 to 200 students by 2013
- Facilitate substantial growth in student credit hours; art student credit hours are projected to increase by 10% per year to an estimated 5224 hours by 2013

a. approve design development plans; and

b. authorize U. T. Tyler to institutionally manage the project.

BACKGROUND INFORMATION

Previous Board Action

On August 11, 2006, the project was included in the Capital Improvement Program (CIP) as a part of a collection of projects titled Completion/Renovation/ Expansion of Engineering, Science and Technology Building with a preliminary project cost of $48,000,000 with funding of $43,200,000 from Tuition Revenue Bond Proceeds and $4,800,000 from Permanent University Fund (PUF) Bond Proceeds. On February 8, 2007, the Board appropriated funding for the total project cost in the amount of $48,000,000 with funding of $43,200,000 from Tuition Revenue Bond Proceeds and $4,800,000 from PUF Bond Proceeds. On April 13, 2007, the Chancellor approved the increase in total project cost for the Art Studio portion of the project from $5,800,000 to $7,100,000 and authorized the additional appropriation of the funding of $1,300,000 from Gifts, thereby increasing the total project cost of the collection of projects from $48,000,000 to $49,300,000.

Project Description

The Art Studio Addition project is one stage of the Completion/Renovation/Expansion of the Engineering, Science and Technology Building project. This request is for approval of the design development plans for the new construction of the Art Studio Addition.

The project consists of the addition of five metal buildings totaling approximately 29,000 gross square feet that will house teaching studios, departmental offices, and a lecture hall. It has been determined that this project would best be managed by the U. T. Tyler Facility Management personnel who have the experience and capability to manage all aspects of the work.

The Completion/Renovation/Expansion of the Engineering, Science and Technology Building project involves five other repair and rehabilitation projects. The University Center/Student Services project will renovate existing space to include a food court, bookstore, career/advising center, student program office space, meeting rooms, and faculty offices. The Science/Math/Hudnall Pirtle Roosth (HPR) Renovation will include improved teaching space and classrooms.

Three other institutionally managed projects include the Renovation of the Interim Old Engineering Building, First Floor; Completion of Engineering, Science and Technology Building North; and Campus Access and Safety Improvements.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 15-25 years
- Building Systems: 15-25 years
- Interior Construction: 15-25 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 to comply with energy and other building codes and are consistent with the simple building type proposed. The interior appearance and finish are cost effective and robust.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

10. U. T. Tyler: Palestine Campus Expansion - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; approval to revise funding sources; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Mabry that the U. T. System Board of Regents approve the recommendations for the Palestine Campus Expansion project at The University of Texas at Tyler as follows:

Project No.: 802-266

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: April 2010

Total Project Cost:

Source	Current	Proposed
Tuition Revenue Bond Proceeds	$6,300,000	$6,300,000
Permanent University Fund Bond Proceeds	$ 700,000	$ 700,000
Gifts		$ 308,900
Designated Funds		$ 691,100
	$7,000,000	$8,000,000

Investment Metric:

- One of the goals for 2010 is to become the University of choice for 7,000 high-ability students. Palestine Campus is expected to contribute to this growth through the space and facilities in the new building.
- The project will provide approximately 18,000 gross square feet (GSF) of additional modern space for general classrooms and office space for faculty and will accommodate rapid enrollment growth at the U. T. Tyler Palestine Campus.
- Support increased local enrollments in Palestine area, especially in nursing. The expansion of the Palestine Campus will enable U. T. Tyler to close the gaps by increasing student access and participation in an underserved region of East Texas. Additional space will enable the University to expand programs, particularly nursing, where critical shortages exist throughout the State.
- U. T. Tyler's Enrollment Management Plan will provide guidelines for using current space, additional space in the new building, adding appropriate number of faculty, increasing access to other majors such as management, education, criminal justice and working with Trinity Valley Community College's campus at Palestine to further increase access to students in the region.

a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to increase the total project cost from $7,000,000 to $8,000,000;

b. approve design development plans;

c. revise funding sources from $6,300,000 from Tuition Revenue Bond Proceeds and $700,000 from Permanent University Fund (PUF) Bond Proceeds to $6,300,000 from Tuition Revenue Bond Proceeds, $700,000 from PUF Bond Proceeds, $308,900 from Gifts, and $691,100 from Designated Funds;

d. appropriate funds and authorize expenditure of funds;

e. approve the evaluation of alternative energy economic feasibility; 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. System Board of Regents relating to the Financing System; and

- U. T. Tyler, 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 $6,300,000.

BACKGROUND INFORMATION

Debt Service

The 79th Legislature authorized $6,300,000 of Tuition Revenue Bonds for campus expansion. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations.

Previous Board Actions

On June 20, 2006, the project was included in the CIP with a total project cost of $7,000,000 with funding of $6,300,000 from Tuition Revenue Bond Proceeds and $700,000 from Revenue Financing System Bond Proceeds. On August 10, 2006, the Board approved revising the funding for the project to $6,300,000 from Tuition Revenue Bond Proceeds and $700,000 from PUF Bond Proceeds.

Project Description

The project will involve the construction of a new building of approximately 18,000 GSF for clinical and general classrooms, laboratories, and general office space for faculty. The additional space will enable U. T. Tyler to expand programs, particularly nursing, where critical shortages exist throughout the State and to accommodate rapid enrollment growth at the Palestine Campus. The increase in total project cost is to complete the approved facility program requirements. (See Item 2 on Page 74 in the Health Affairs Committee regarding gifts of land for the purpose of expanding the U. T. Tyler Palestine Campus.)

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 25-40 years
- Building Systems: 15-20 years
- Interior Construction: 15-25 years

The exterior appearance and finish are consistent with the new 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 high-end commercial standards.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

11. U. T. Medical Branch - Galveston: Specialty Care Center at Victory Lakes - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to reapprove adding the project back onto the Capital Improvement Program; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Callender that the U. T. System Board of Regents approve the recommendations for the Specialty Care Center at Victory Lakes project at The University of Texas Medical Branch at Galveston as follows:

Project No.: 601-241

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: October 2009

Total Project Cost:

Source	Current
Revenue Financing System Bond Proceeds	$51,000,000
Hospital Revenues	$10,000,000
	$61,000,000

Investment Metrics:

- The admissions/visits to the UTMB specialty and sub-specialty practices generated will be 463 within 24 months of occupancy
- The monthly imaging procedures will reach 1,250 within 24 months of occupancy

a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to reapprove adding the project back onto the CIP;

b. approve design development plans;

c. appropriate funds and authorize expenditure of funds; and

d. approve the evaluation of alternative energy economic feasibility;

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. System Board of Regents relating to the Financing System; and

- U. T. Medical Branch - Galveston, 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 $51,000,000.

BACKGROUND INFORMATION

Debt Service

The $51,000,000 in Revenue Financing System debt will be repaid from revenues generated from clinic operations. Average annual debt service on the project is estimated at $3,700,000. The project's debt service coverage is expected to average 3.1 times over FY 2010 - FY 2015.

Previous Board Actions

On August 11, 2005, the project was included in the CIP as the Clinic Facility - League City with a preliminary project cost of $30,000,000 with funding from Revenue Financing System Bond Proceeds. On June 27, 2006, the project was redesignated as the Specialty Care Center at Victory Lakes. On August 6, 2006, the Board approved increasing the total project cost to $35,000,000 and revised the funding to $30,500,000 from Permanent University Fund (PUF) Bond Proceeds and $4,500,000 from Revenue Financing System Bond Proceeds. With the adoption of the CIP on August 23, 2007, the project was deleted from the CIP until a new comprehensive plan was in place at U. T. Medical Branch - Galveston. On February 7, 2008, the Board approved the transfer of the allocated $30,500,000 from PUF for the Specialty Care Center project to the University Boulevard Research Building project.

Project Description

The project consists of approximately 110,000 gross square feet of outpatient clinic space located on property in North Galveston County east of Interstate 45 and north of Highway 646 that leads into the Victory Lakes residential area in League City, Texas. The clinic will be a two-story structure to include clinic space, operating rooms, an imaging department, and other required support areas.

This project was previously approved in the CIP and progressed to the completion of design development prior to being removed for further study.

This property is in a growing area and is bounded by upscale residential property, secondary schools, and commercial property soon to be developed into senior care and housing facilities. The development of this outpatient, specialty clinic is critical to initiatives that support the business plan of U. T. Medical Branch - Galveston and the clinical enterprise. Projections for the service market in the project area in North Galveston County indicate that by 2011 there will be over two million insured patients in need of healthcare services. The project will support the vision of the Faculty Group Practice at the School of Medicine and has involved leadership from all facets of U. T. Medical Branch - Galveston healthcare delivery programs. This project will serve one of the fastest growing areas in the State of Texas and will serve the short stay and ambulatory care needs of U. T. Medical Branch - Galveston employees, families, and residents of the region.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 45-50 years
- Building Systems: 20-25 years
- Interior Construction: 20-25 years

The exterior appearance and finish are consistent with high-end commercial clinical facilities 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 high-end commercial clinical facilities.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

12. U. T. Health Science Center - Houston: U. T. Research Park Complex - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to reduce the total project cost; delete the Parking Garage portion of the project; approval of design development of the Dental Branch Replacement Building portion of the project; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

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

Project No.: 701-320

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: September 2010

Total Project Cost for the U. T. Research Park Complex:

Source	Current	Proposed
Unexpended Plant Funds	$ 36,180,739	$ 36,840,739
Permanent University Fund Bond Proceeds	$ 59,100,000	$ 59,100,000
Tuition Revenue Bond Proceeds	$ 60,000,000	$ 60,000,000
Gifts	$ 2,000,000	$ 2,000,000
Revenue Financing System Bond Proceeds	$ 17,500,000	$ 10,000,000
	$174,780,739	$167,940,739

Total Project Cost for the Stage 1 (BREF) of the U. T. Research Park Complex:

Source	Current
Unexpended Plant Funds	$36,180,739
Permanent University Fund Bond Proceeds	$41,100,000
	$77,280,739

Total Project Cost for the Stage 2 (DBRB) of the U. T. Research Park Complex:

Source	Current	Proposed
Unexpended Plant Funds		$ 660,000
Permanent University Fund Bond Proceeds	$18,000,000	$18,000,000
Tuition Revenue Bond Proceeds	$60,000,000	$60,000,000
Gifts	$ 2,000,000	$ 2,000,000
Revenue Financing System Bond Proceeds	$17,500,000	$10,000,000
	$97,500,000	$90,660,000

Investment Metrics:

- Increase the number of students who graduate as oral healthcare professionals by 2016
- Increase semester classroom hours delivered per assignable square feet (ASF) of classroom and pre-clinical lab space by 2012
- Increase patient visits/treatments provided per ASF of clinical space by 2016

a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to reduce the total project cost from $174,780,739 to $167,940,739;

b. delete the Parking Garage portion of the project with funding of $7,500,000 from Revenue Financing System Bond Proceeds;

c. approve design development plans for the Dental Branch Replacement Building (DBRB) portion of the project;

d. appropriate funds and authorize expenditure of funds in the amount of $90,660,000 with funding of $60,000,000 from Tuition Revenue Bond Proceeds, $18,000,000 from Permanent University Fund (PUF) Bond Proceeds, $10,000,000 from Revenue Financing System Bond Proceeds, $2,000,000 from Gifts; and $660,000 from Unexpended Plant Funds;

e. approve the evaluation of alternative energy economic feasibility; 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. System Board of Regents relating to the Financing System; and

- U. T. Health Science Center - Houston, 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 $70,000,000.

BACKGROUND INFORMATION

Debt Service

The 79th Legislature authorized $60,000,000 of Tuition Revenue Bonds for a dental branch replacement building. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations. The $10,000,000 in Revenue Financing System debt will be repaid from institutional funds. Annual debt service on the

$10,000,000 Revenue Financing System debt is expected to be approximately $726,000. The institution's debt service coverage is expected to be at least 1.5 times and average 2.0 times over FY 2008-2013.

Previous Board Actions

Biomedical Research and Education Facility (BREF) - On August 10, 2006, the project was included in the CIP with a preliminary project cost of $62,000,000 with funding of $41,100,000 from PUF Bond Proceeds and $20,900,000 from Gifts.

Dental Branch Replacement Building (DBRB) - On August 10, 2006, the project was included in the CIP with a preliminary project cost of $80,000,000 with funding of $18,000,000 from PUF Bond Proceeds, $60,000,000 from Tuition Revenue Bond Proceeds, and $2,000,000 from Gifts.

Mental Sciences Institute Replacement Facility - On November 11, 1999, the project was included in the CIP with a preliminary project cost of $20,700,000 with funding from Unexpended Plant Funds. On August 9, 2001, the Board approved reducing the total project cost to $16,500,000 with funding from Unexpended Plant Funds. On August 8, 2002, the Board approved increasing the total project cost to $22,500,000 with funding of $16,500,000 from Unexpended Plant Funds and $6,000,000 from Hospital Revenues.

Research Park Complex - On November 16, 2006, the three projects were combined and redesignated as the U. T. Research Park Complex, and funding was revised with a total project cost of $161,500,000 with funding of $60,000,000 from Tuition Revenue Bond Proceeds, $59,100,000 from PUF Bond Proceeds, $19,500,000 from Unexpended Plant Funds, and $22,900,000 from Gifts. With the adoption of the FY 2008-2013 CIP on August 23, 2007, the project scope was increased to include a parking garage and the funding was revised with a total project cost of $161,500,000 with funding of $60,000,000 from Tuition Revenue Bond Proceeds, $59,100,000 from PUF Bond Proceeds, $22,900,000 from Unexpended Plant Funds, $2,000,000 from Gifts, and $17,500,000 from Revenue Financing System Bond Proceeds. On August 23, 2007, the Board approved design development plans for the BREF portion of the project with a total project cost of $64,000,000 with funding of $41,100,000 from PUF Bond Proceeds and $22,900,000 from Unexpended Plant Funds. On February 7, 2008, the Board approved the increase in total project cost for the BREF portion of the project from $64,000,000 to $77,280,739 with funding of $41,100,000 from PUF Bond Proceeds and $36,180,739 from Unexpended Plant Funds.

Project Description

Stage 2 of the project will construct the second building in the complex consisting of a six-story structure to house approximately 197,000 gross square feet of pre-clinical spaces such as classrooms, an auditorium, pre-clinical laboratories, the Learning Resources Center, and administrative space along with build-out and additional equipment within the Central Plant to serve the Dental Branch and associated site utilities and amenities for the remainder of the project site.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 45-50 years
- Building Systems: 25-30 years
- Interior Construction: 20-30 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 high-end commercial clinical and administrative 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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

13. U. T. M. D. Anderson Cancer Center: Administrative Support Building - Phase 1, Administrative Support Building - Phase 2, Administrative Support Building - Phase 3, and Data Center Expansion - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to combine four projects and redesignate as the Administrative Support Building; approval to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt

RECOMMENDATION

The Chancellor ad interim concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Mendelsohn that the U. T. System Board of Regents approve the recommendations for the Administrative Support Building - Phase 1, Administrative Support Building - Phase 2, Administrative Support Building - Phase 3, and the Data Center Expansion projects at The University of Texas M. D. Anderson Cancer Center as follows:

Project Delivery Method:	Design/Build
Substantial Completion Date:	September 2012
Institutional Managed:	Yes ☒ No ☐

Total Project Cost: Administrative Support Building – Phase I	Source	Current
	Hospital Revenues	$161,695,000
	Revenue Financing System Bond Proceeds	$ 33,000,000
		$194,695,000
Total Project Cost: Administrative Support Building – Phase 2	Source	Current
	Hospital Revenues	$ 8,976,000
	Revenue Financing System Bond Proceeds	$22,000,000
		$30,976,000
Total Project Cost: Administrative Support Building – Phase 3	Source	Current
	Hospital Revenues	$20,031,000
Total Project Cost: Data Center Expansion	Source	Current
	Hospital Revenues	$20,000,000

Total Combined Project Cost: Administrative Support Building (Project No. 703-404)	Source	Current	Proposed
	Hospital Revenues	$210,702,000	$275,000,000
	Revenue Financing System Bond Proceeds	$ 55,000,000	$ 75,000,000
		$265,702,000	$350,000,000

Investment Metrics:

- Begin vacating existing leases by 2012
- Provide shell and core space by 2012 to accommodate future build-out space for the relocation of other existing leases
- Provide shell and core space by 2012 to accommodate future build-out of space for the relocation of North Campus personnel

a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to combine the four projects and redesignate as the Administrative Support Building;

b. approve the increase in the total project cost from $265,702,000 to $350,000,000;

c. approve design development plans;

d. appropriate funds and authorize expenditure of funds in the amount of $75,000,000 from Revenue Financing System Bond Proceeds and $275,000,0000 from Hospital Revenues;

e. approve the evaluation of alternative energy economic feasibility; 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. System Board of Regents relating to the Financing System; and

- U. T. M. D. Anderson Cancer Center, 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 $75,000,000.

BACKGROUND INFORMATION

Debt Service

The $75,000,000 in Revenue Financing System debt will be repaid from Hospital Revenues. Average annual debt service on the project is estimated at $5,440,000. The institution's debt service coverage with the inclusion of this project is expected to be at least 4.7 times and average 5.1 times over FY 2008 - FY 2013.

Previous Board Actions

Administrative Support Building - Phase 1 - On August 11, 2005, the project was included in the CIP with a preliminary project cost of $194,695,000 with funding of $33,000,000 from Revenue Financing System Bond Proceeds and $161,695,000 with funding from Hospital Revenues.

Administrative Support Building - Phase 2 - On August 11, 2005, the project was included in the CIP with a preliminary project cost of $30,976,000 with funding of $8,976,000 from Revenue Financing System Bond Proceeds and $22,000,000 with funding from Hospital Revenues.

Administrative Support Building - Phase 3 - On August 22, 2007, the project was included in the CIP with a preliminary project cost of $20,031,000 with funding from Hospital Revenues.

Data Center Expansion - On August 22, 2007, the project was included in the CIP with a preliminary project cost of $20,000,000 with funding from Hospital Revenues.

Project Description

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. The institutionally managed projects are subject to review by the Board of Regents for design development.

The project will construct a shell and core of approximately 1,353,000 gross square feet (GSF) and build out approximately 374,000 GSF. U. T. M. D. Anderson Cancer Center currently leases space in eight difference locations in the vicinity of the Texas Medical Center. The multiple locations present a variety of issues including increased operating costs because of the need to maintain an extensive and costly shuttle system and decreased employee productivity because of time spent in transit from facility to facility. Projections indicate the need for additional support space as growth in patient care and research continues. The estimated net present value savings is $10,200,000 to build rather than lease.

The growth rates have also resulted in the need for additional data processing infrastructure and hardware. The Administrative Support Building will include approximately 25,000 GSF for a new data center along with mechanical and electrical systems to support additional redundancy. The new data center will provide redundant capabilities for network systems and improve reliability for critical applications.

The Administrative Support Building provides the opportunity to vacate leases as they expire and consolidate departments that are currently separated into many disparate locations. In addition, growth space will be provided to meet the growth projections.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50-60 years
- Building Systems: 15-25 years
- Interior Construction: 15-25 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 existing campus buildings.

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 or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy 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.

14. U. T. Austin: Speedway Mall North of 21st Street and East Mall/East Mall Fountain, Phase I - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; revise the funding sources; and redesignate the project as Speedway Mall North of the Blanton Museum and South of Dean Keeton Street and East Mall/East Mall Fountain

RECOMMENDATION

The Chancellor ad interim 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 Speedway Mall North of 21st Street and East Mall/East Mall Fountain, Phase I project at The University of Texas at Austin as follows:

Project No.: 102-219

Project Delivery Method: Construction Manager at Risk

Substantial Completion Date: August 2012

Total Project Cost:

Source	Current	Proposed
Gifts	$11,000,000	$130,000,000
Designated Tuition	$ 1,000,000	
	$12,000,000	

Investment Metrics:

- Provide student gathering space along former Speedway roadway by 2012
- Promote student services by 2012
- Encourage participation in student organizations by 2012

a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to increase the total project cost from $12,000,000 to $130,000,000;

b. revise the funding sources from $11,000,000 from Gifts and $1,000,000 from Designated Tuition to $130,000,000 from Gifts; and

c. redesignate the project as Speedway Mall North of the Blanton Museum and South of Dean Keeton Street and East Mall/East Mall Fountain.

BACKGROUND INFORMATION

Previous Board Actions

On November 5, 2004, the project was included in the CIP with a total project cost of $12,000,000 with funding from Gifts. With the adoption of the FY 2008-2013 CIP on August 23, 2007, the funding was revised to $11,000,000 from Gifts and $1,000,000 from Designated Tuition.

Project Description

The Campus Master Plan, published in 1999, lays out a framework for enhancing the campus while maintaining a focus on reestablishing the sinews of community among students, faculty, and staff in an environment conducive to academic life in all respects. Transforming Speedway Avenue to become the major new informal social space of the central campus is identified by the Campus Master Plan as the most important public space initiative.

Sixty years of growth separate the 1999 Campus Master Plan by Cesar Pelli & Associates, renamed Pelli Clarke Pelli Architects, from the previous campus plan by Paul Cret. During that time, U. T. Austin's infrastructure grew from 14 buildings to a sprawling 369-acre campus with 139 buildings of more than 12.5 million square feet.

Cret's Master Plan organized the original 40 acres with a strong east-west and north-south axis using carefully defined malls. The Main Building's Tower anchors the intersection of these malls. That axial plan is still the dominant organizing element for the campus even though the geographic center of campus has shifted. The current Campus Master Plan for U. T. Austin retains the ideals established by Cret but places emphasis on the new geographic center of campus, which is where the East Mall intersects Speedway Avenue.

Over the past nine years, U. T. Austin has made significant progress toward implementing the seven objectives and organizing principles of the 1999 Campus Master Plan. Many new construction infill and addition/renovation projects have been completed, are under construction, or are in the design or planning stages. The Student Activity Center/Phase I - Liberal Arts Project, which, in part, was recommendation 10 of the Commission of 125 Report/Task Force, is currently on the CIP with completion scheduled in 2011. Other new construction and renovation projects slated for this central area include the Experimental Science Building, Dell Computer Science Hall - Phase 1, Computer Sciences Building - Phase II, Phase II Liberal Arts Building, Geology Building Addition, and the Renovation of E. P. Schoch Building.

The Speedway Mall project would be the single most significant and comprehensive step to enabling and fulfilling five of the seven objectives and organizing principles of the 1999 Campus Master Plan, which include returning the core campus to pedestrians and keeping vehicular traffic to the edges of the campus; establishing a community of landscaped open spaces, working in concert with buildings to extend and reknit the

campus; establishing new centers of student activity, reinforcing housing and academic uses to enhance a full on-campus life; concentrating future construction in the core campus rather than on the fringes; and enhancing public perceptions of and access to the campus through strengthened identity and wayfinding programs.

The project will provide pedestrian traffic enhancements and landscape improvements for Speedway Avenue from the Jack S. Blanton Museum of Art to East Dean Keeton Street and the East Mall from Inner Campus Drive to San Jacinto Boulevard, including the East Mall Fountain. The project scope involves grade changes for access to the buildings along the route, extensive utility upgrades, lighting and power improvements, construction of plazas and related food service, wireless access, and landscape enhancements. The project will offer a central point of multiple activities and services, which will enrich the campus experience for students, faculty, staff, and visitors. In addition, it will ensure the survivability of the endangered mature oak trees that line Speedway. The entire project area encompasses almost 16 acres and will be divided into six stages to minimize the overall impact that construction will have on day-to-day operations at U. T. Austin. This staged project is expected to take seven to eight years to complete.

Converting Speedway Avenue and the East Mall into a pedestrian space offers many opportunities to enrich the lives of students including a place for students to gather informally, an area where student services and student organizations can be promoted, a place for campus-wide festivals, and spaces where scheduled performances by student music or dance groups can occur both during the day and at night. This campus transformation is seen as making a significant contribution to the learning experience for all U. T. Austin students.

The current total project cost of $12,000,000 was an early estimate for the work to replace the East Mall Fountain only. Since their appointment in early 2006, the Project Architect, Booziotis and Company Architects with Peter Walker and Partners Landscape Architects, have developed the fountain design, in addition to a plaza adjacent to the fountain. Together with the Construction Manager at Risk, Flintco, Inc., more accurate cost estimates have been developed for the work. However, the current request to increase the total project cost is not just an increase in the scope of work for the first phase fountain area, but conceptual designs and cost estimates have also been completed for the scope of work for the total 16 acres of intensive landscape development along the rest of the East Mall from San Jacinto Boulevard to Inner Campus Drive, including the East Mall Fountain, plus the entire length of Speedway Avenue from the Blanton Museum to Dean Keeton Street. The full scope had been part of the conceptual design, but good estimates for this landscape development have not been available until now. The total project cost estimate for all portions of the work, including the fountain, is $130,000,000.

The project is anticipated to be completed in six stages. As gift funding is identified sufficient to fund a project stage or stages, the project will be brought back to the U. T. System Board of Regents for design development approval for that stage or those stages.