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Committee Meeting: 8/11/2010

Board Meeting: 8/12/2010  
Austin, Texas

*Printice L. Gary, Chairman  
James D. Dannenbaum  
R. Steven Hicks  
Wm. Eugene Powell*

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2. <b>U. T. System Board of Regents: Amendment of Section 3 regarding definition of criteria of major projects in Regents' Rules and Regulations, Rule 80301 (Capital Improvement Program); Rule 80402 (Major Construction and Repair and Rehabilitation Projects); and Rule 80404 (Institutional Management of Major Construction and Repair and Rehabilitation Projects)</b>	<i>3:50 p.m. <b>Action</b> Mr. O'Donnell</i>	<b>Action</b>	<b>333</b>
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5. <b>U. T. Medical Branch – Galveston: FY 09/FY 10 High Priority Fire and Life Safety Projects - University Hospital Clinics Building - Amendment of the FY 2010-2015 Capital Improvement Program to redesignate the project as the FY 09/FY 10/FY 11 High Priority Fire and Life Safety Project - University Hospital Clinics Building; approval to increase the total project cost; and appropriation of additional funds (Final Board approval)</b>	<i>3:59 p.m.</i> <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>336</b>
6. <b>U. T. Health Science Center – San Antonio: FY 11 Fire and Life Safety Projects - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)</b>	<i>4:02 p.m.</i> <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>338</b>
<b><u>Additions to the Capital Improvement Program</u></b>			
7. <b>U. T. Arlington: Energy Conservation Measures 2010-2011 - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)</b>	<i>4:05 p.m.</i> <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>339</b>
8. <b>U. T. Austin: Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt (Final Board approval)</b>	<i>4:08 p.m.</i> <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>340</b>
9. <b>U. T. Dallas: Academic Laboratory and Support Space Renovations - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)</b>	<i>4:12 p.m.</i> <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>342</b>
10. <b>U. T. Dallas: Renovation of the Student Union Phase I - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)</b>	<i>4:16 p.m.</i> <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>344</b>

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11. U. T. San Antonio: John Peace Library Building Renovations - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and authorization of institutional management (Final Board approval)	4:19 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	345
12. U. T. M. D. Anderson Cancer Center: Clinical Research Building Animal Area Renovation - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)	4:21 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	347
<b><u>Design Development Approvals</u></b>			
13. U. T. El Paso: University Parking Garage II – Amendment of the FY 2010-2015 Capital Improvement Program 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 (Final Board approval)	4:25 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	348
14. U. T. Southwestern Medical Center – Dallas: New University Hospital - Amendment of the FY 2010-2015 Capital Improvement Program 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 (Final Board approval)	4:30 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	350
<b><u>Modifications to the Capital Improvement Program</u></b>			
15. U. T. M. D. Anderson Cancer Center: Demolish Old Spanish Trail (OST) Buildings - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost and appropriation of additional funds (Final Board approval)	4:35 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	354
16. U. T. M. D. Anderson Cancer Center: Houston Main Building Demolition and Infrastructure - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost and appropriation of additional funds (Final Board approval)	4:40 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	355

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17. <b>U. T. M. D. Anderson Cancer Center: South Campus Vivarium Retrofit - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost and appropriation of additional funds (Final Board approval)</b>	4:42 p.m. <b>Action</b> <i>Mr. O'Donnell</i>	<b>Action</b>	<b>356</b>
<b>Adjourn</b>	4:45 p.m.		

1. **U. T. System: Capital Improvement Program Update**

REPORT

Mr. Michael O'Donnell, Associate Vice Chancellor for Facilities Planning and Construction, will provide the annual update of the Capital Improvement Program (CIP) pursuant to the Regents' *Rules and Regulations*, Rule 80301, Section 1. The CIP consists of major new construction and repair and rehabilitation projects to be implemented and funded from institution and Systemwide revenue sources. Projects included in the CIP correspond to the highest priority needs identified by institutional administration.

2. **U. T. System Board of Regents: Amendment of Section 3 regarding definition of criteria of major projects in Regents' *Rules and Regulations*, Rule 80301 (Capital Improvement Program); Rule 80402 (Major Construction and Repair and Rehabilitation Projects); and Rule 80404 (Institutional Management of Major Construction and Repair and Rehabilitation Projects)**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel that the U. T. System Board of Regents amend the Regents' *Rules and Regulations*, Rule 80301 (Capital Improvement Program), Rule 80402 (Major Construction and Repair and Rehabilitation Projects), and Rule 80404 (Institutional Management of Major Construction and Repair and Rehabilitation Projects) by revising the definition of a Major Project as follows:

3. **Definitions**

Major Project – Any project that meets one or more of the following criteria: 1) new building construction with a value of \$4 million or more, 2) road, paving, and repair and rehabilitation projects with a value of \$4 million or more, 3) any project determined by the Board to be architecturally or historically significant, 4) any project that is debt financed [Revenue Financing System (RFS), Tuition Revenue Bond (TRB), Permanent University Fund (PUF)] regardless of dollar value except those projects appropriated through the Library, Equipment, Repair and Rehabilitation (LERR) budget, and 5) any campus planning efforts that are intended to result in a capital project meeting one or more of these criteria.

## BACKGROUND INFORMATION

The proposed amendment to the current Regents' *Rules and Regulations* will provide alignment with the revised Capital Expenditure Policy. The amendment to Rules 80301, 80402, and 80404 proposes revision to the definition of a Major Project to exempt debt financed projects approved through the LERR budget from the Capital Improvement Program.

The proposed changes would be effective September 1, 2010.

3. **U. T. Arlington: FY 11 High Priority Fire and Life Safety Corrections - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

## RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Spaniolo that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the FY 11 High Priority Fire and Life Safety Corrections project at The University of Texas at Arlington as follows:

<b>Project No.:</b>	301-581				
<b>Institutionally Managed:</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>				
<b>Project Delivery Method:</b>	Competitive Sealed Proposals				
<b>Substantial Completion Date:</b>	August 2012				
<b>Total Project Cost:</b>	<table><thead><tr><th><u>Source</u></th><th><u>Proposed</u></th></tr></thead><tbody><tr><td>Permanent University Fund Bond Proceeds</td><td>\$1,300,000</td></tr></tbody></table>	<u>Source</u>	<u>Proposed</u>	Permanent University Fund Bond Proceeds	\$1,300,000
<u>Source</u>	<u>Proposed</u>				
Permanent University Fund Bond Proceeds	\$1,300,000				

- a. approve a total project cost of \$1,300,000 with funding from Permanent University Fund (PUF) Bond Proceeds;
- b. appropriate funds; and
- c. authorize U. T. Arlington to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

## BACKGROUND INFORMATION

### Previous Board Action

On August 14, 2008, the Board approved the allocation of \$1,300,000 from PUF Bond Proceeds for Fiscal Year 2011 for the project.

### Project Description

The project is the final phase of three allocations to address various fire and life safety deficiencies identified as high priority items. The scope of the project will address means of egress deficiencies in the Science Hall, Fine Arts Building fire sprinkler system, egress lighting in several other buildings with associated electrical infrastructure upgrades, tiered lecture room handrail installations, and additional minor items on campus.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Arlington Facility Management personnel who have the experience and capability to manage all aspects of the work.

4. **U. T. Austin: FY 11 High Priority Fire and Life Safety Corrections - Phase 3 - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

## RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the FY 11 High Priority Fire and Life Safety Corrections - Phase 3 project at The University of Texas at Austin as follows:

<b>Project No.:</b>	102-582				
<b>Institutionally Managed:</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>				
<b>Project Delivery Method:</b>	Competitive Sealed Proposals				
<b>Substantial Completion Date:</b>	August 2012				
<b>Total Project Cost:</b>	<table><tr><td><u>Source</u></td><td><u>Proposed</u></td></tr><tr><td>Permanent University Fund Bond Proceeds</td><td>\$4,700,000</td></tr></table>	<u>Source</u>	<u>Proposed</u>	Permanent University Fund Bond Proceeds	\$4,700,000
<u>Source</u>	<u>Proposed</u>				
Permanent University Fund Bond Proceeds	\$4,700,000				

- a. approve a total project cost of \$4,700,000 with funding from Permanent University Fund (PUF) Bond Proceeds;
- b. appropriate funds; and
- c. authorize U. T. Austin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

## BACKGROUND INFORMATION

### Previous Board Action

On August 14, 2008, the Board approved the allocation of \$4,700,000 from PUF Bond Proceeds for Fiscal Year 2011 for the project.

### Project Description

The project continues various fire and life safety deficiencies identified as high priority items including fire protection systems. The project will include design and installation of fire sprinkler and fire alarm systems, and correction of egress deficiencies including emergency lighting and door hardware. The buildings in the Phase 3 project include the Animal Resources Center, Facilities Complex Building 1, Goldsmith Hall, Jackson Geological Sciences Building, Homer Rainey Hall, Pharmacy North Building, West Mall Office Building, and the Main Building.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Austin Facility Management personnel who have the experience and capability to manage all aspects of the work.

5. **U. T. Medical Branch – Galveston: FY 09/FY 10 High Priority Fire and Life Safety Projects - University Hospital Clinics Building - Amendment of the FY 2010-2015 Capital Improvement Program to redesignate the project as the FY 09/FY 10/FY 11 High Priority Fire and Life Safety Project - University Hospital Clinics Building; approval to increase the total project cost; and appropriation of additional funds (Final Board approval)**

## RECOMMENDATION

The Chancellor 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 FY 09/FY 10 High Priority Fire and Life Safety Projects - University Hospital Clinics Building at The University of Texas Medical Branch at Galveston as follows:

**Project No.:** 601-454

**Institutionally Managed:** Yes  No

**Project Delivery Method:** Competitive Sealed Proposals

**Substantial Completion Date:** September 2012

<b>Total Project Cost:</b>	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Permanent University Fund Bond Proceeds	\$1,200,000	\$1,800,000
	Hospital Revenues	<u>\$ 600,000</u>	<u>\$ 600,000</u>
		\$1,800,000	\$2,400,000

- a. redesignate the project as the FY 09/FY 10/FY 11 High Priority Fire and Life Safety Project - University Hospital Clinics Building;
- b. increase the total project cost from \$1,800,000 to \$2,400,000; and
- c. appropriate additional funding of \$600,000 from Permanent University Fund (PUF) Bond Proceeds.

### BACKGROUND INFORMATION

#### Previous Board Actions

On August 14, 2008, the Board approved the allocation of \$600,000 from PUF Bond Proceeds for each Fiscal Year 2009, 2010 and 2011. On November 13, 2008, the project was included in the CIP with a total project cost of \$1,200,000 with funding of \$600,000 from PUF Bond Proceeds and \$600,000 from Hospital Revenues and authorized institutional management. On August 19, 2009, the total project cost was increased from \$1,200,000 to \$1,800,000 and redesignated as the FY 09/FY 10 High Priority Fire and Life Safety Project - University Hospital Clinics Building.

#### Project Description

This institutionally managed project addresses installation of fire sprinklers on all floors of the University Hospital Clinics Building. The Fiscal Year 2011 allocation will be combined with the Fiscal Year 09/Fiscal Year 10 project, increasing the total project cost. The additional work will complete the repairs and renovations needed to upgrade the building to current life safety codes.

Design development plans and authorization of expenditure of funding will be approved by the President at a later date.

**6. U. T. Health Science Center – San Antonio: FY 11 Fire and Life Safety Projects - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Henrich that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the FY 11 Fire and Life Safety Projects at The University of Texas Health Science Center at San Antonio as follows:

**Project No.:** 402-578

**Institutionally Managed:** Yes  No

**Project Delivery Method:** Competitive Sealed Proposals

**Substantial Completion Date:** February 2012

<b>Total Project Cost:</b>	<u>Source</u>	<u>Proposed</u>
	Permanent University Fund Bond Proceeds	\$1,700,000

- a. approve a total project cost of \$1,700,000 with funding from Permanent University Fund (PUF) Bond Proceeds;
- b. appropriate funds; and
- c. 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**

**Previous Board Action**

On August 14, 2008, the Board approved the allocation of \$1,700,000 from PUF Bond Proceeds for Fiscal Year 2011 for the project.

**Project Description**

The proposed project will install a sprinkler system in the Cafeteria Building and begin designing and installing a sprinkler system in the Dental School Building. The buildings are adjacent to each other on the Joe R. and Teresa Lozano Long Campus. These are the next projects in the Health Science Center – San Antonio plan to address high priority fire and life safety issues on campus.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. 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.

**7. U. T. Arlington: Energy Conservation Measures 2010-2011 - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Spaniolo that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the Energy Conservation Measures 2010-2011 project at The University of Texas at Arlington as follows:

<b>Project No.:</b>	301-583	
<b>Institutionally Managed:</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<b>Project Delivery Method:</b>	Performance Contract	
<b>Substantial Completion Date:</b>	January 2012	
<b>Total Project Cost:</b>	<u>Source</u> Grants	<u>Proposed</u> \$9,901,000

- a. approve a total project cost of \$9,901,000 with funding from an American Recovery and Reinvestment Act (ARRA) Grant;
- b. appropriate funds; and
- c. authorize U. T. Arlington to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

**BACKGROUND INFORMATION**

**Project Description**

The proposed project consists of two roof replacements with major insulation upgrades; high efficiency pump/fan motor replacements; replacement of one chiller in the Thermal Energy Plant; continuous commissioning in the Thermal Energy Plant and other campus facilities; and replacement of selected domestic hot water pumps.

This project, funded by the ARRA, the Texas State Comptroller, and the Texas State Energy Conservation Office (SECO), is a continuation of U. T. Arlington's energy conservation program. The objective of the energy cost savings is to make needed infrastructure improvements, and reduce utility, maintenance, and operating costs. The grants are actually loans, paid back at 2% interest, and self-funded through energy savings.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Arlington Facility Management personnel who have the experience and capability to manage all aspects of the work.

**8. U. T. Austin: Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation project at The University of Texas at Austin as follows:

<b>Project No.:</b>	102-577	
<b>Project Delivery Method:</b>	Construction Manager at Risk	
<b>Substantial Completion Date:</b>	September 2012	
<b>Total Project Cost:</b>	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$12,000,000
	Gifts	<u>\$ 5,700,000</u>
		\$17,700,000

- a. approve a total project cost of \$17,700,000 with funding of \$12,000,000 from Revenue Financing System Bond Proceeds and \$5,700,000 from Gifts;
- b. appropriate funds; and

- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
- parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
  - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
  - U. T. 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 \$12,000,000.

## BACKGROUND INFORMATION

### Debt Service

The \$12,000,000 in Revenue Financing System debt will be repaid from athletic revenues. Annual debt service on the \$12,000,000 Revenue Financing System debt is expected to be \$781,000. The institution's debt service coverage is expected to be at least 1.6 times and average 1.8 times over FY 2011-2016. The gift funding authorized for expenditure is fully collected or committed at this time, and the institution possesses sufficient local funds to cover any shortfall.

### Project Description

The proposed project will include infill of the North End Zone seventh floor at Darrell K Royal - Texas Memorial Stadium (Stadium). The area is currently an open shell space. The infill will provide new offices for Intercollegiate Athletics and vacate current space in L. Theo Bellmont Hall, which will be made available to the campus for academic and other uses. In addition, the project will include structural repairs, waterproofing, and other maintenance and renovation work, and bleacher replacement to the older sections of the Stadium.

The construction of the Athletics Offices will consolidate staff into contiguous space in the North End Zone, thus reducing operating expenses and streamlining operations. The repair work in the grandstands is necessary to maintain safety and extend the useful life of the facility.

The proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the Chancellor at a later date.

**9. U. T. Dallas: Academic Laboratory and Support Space Renovations - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the Academic Laboratory and Support Space Renovations project at The University of Texas at Dallas as follows:

<b>Project No.:</b>	302-584	
<b>Institutionally Managed:</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<b>Project Delivery Method:</b>	Competitive Sealed Proposals	
<b>Substantial Completion Date:</b>	May 2012	
<b>Total Project Cost:</b>	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$ 7,900,000
	Unexpended Plant Funds	<u>\$ 3,500,000</u>
		\$11,400,000

- a. approve a total project cost of \$11,400,000 with funding of \$7,900,000 from Revenue Financing System Bond Proceeds and \$3,500,000 from Unexpended Plant Funds;
- b. authorize U. T. Dallas to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts;
- c. appropriate 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. System Board of Regents relating to the Financing System; and
- U. T. Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$7,900,000.

### BACKGROUND INFORMATION

#### Debt Service

The \$7,900,000 in Revenue Financing System debt will be repaid from institutional funds. Annual debt service on the \$7,900,000 Revenue Financing System debt is expected to be \$581,000. The institution's debt service coverage is expected to be at least 1.9 times and average 2.3 times over FY 2011-2016.

#### Project Description

This project will convert and update existing space into fully functional modular research laboratories, offices, and support spaces. Construction will renovate portions of the existing research space in the Founders Building and build-out of laboratory space in the Research and Operations Center Building. The project is needed to support the continually changing needs of existing faculty researchers as well as the requirements of new faculty hires. Technology improvements in various research devices require modernization of building infrastructure to support the equipment.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Dallas Facility Management personnel who have the experience and capability to manage all aspects of the work.

**10. U. T. Dallas: Renovation of the Student Union Phase I - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the Renovation of the Student Union Phase I project at The University of Texas at Dallas as follows:

**Project No.:** 302-585  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals  
**Substantial Completion Date:** April 2011

<b>Total Project Cost:</b>	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$1,850,000

- a. approve a total project cost of \$1,850,000 with funding from Revenue Financing System Bond Proceeds;
- b. authorize U. T. Dallas to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts;
- c. appropriate 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. System Board of Regents relating to the Financing System; and

- U. T. Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$1,850,000.

## BACKGROUND INFORMATION

### Debt Service

The \$1,850,000 in Revenue Financing System debt will be repaid from institutional funds. Annual debt service on the \$1,850,000 Revenue Financing System debt is expected to be \$136,000. The institution's debt service coverage is expected to be at least 1.9 times and average 2.3 times over FY 2011-2016.

### Project Description

The project will renovate space located on the first floor of the south wing of the Student Union Building for various student organizations, consolidate all student media functions, and create additional general meeting space. Several departments are relocating to the new Student Services Building allowing for this phase of the project to construct necessary repairs and improvements to the building for optimal utilization for the occupants.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Dallas Facility Management personnel who have the experience and capability to manage all aspects of the work.

11. **U. T. San Antonio: John Peace Library Building Renovations - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and authorization of institutional management (Final Board approval)**

## RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Romo that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the John Peace Library Building Renovations project at The University of Texas at San Antonio as follows on the next page.

**Project Delivery Method:** Competitive Sealed Proposals

**Institutionally Managed:** Yes  No

**Substantial Completion Date:** December 2010

<b>Total Project Cost:</b>	<u>Source</u>	<u>Proposed</u>
	Designated Funds	\$5,500,000

- a. approve a total project cost of \$5,500,000 with funding from Designated Funds;
- b. appropriate and authorize expenditure of funds; and
- c. authorize U. T. San Antonio to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

### BACKGROUND INFORMATION

#### Project Description

The proposed project will renovate approximately 225,891 gross square feet (GSF) in the existing John Peace Library Building to improve functionality and appearance. This portion of the work will renovate areas to incorporate student services including the Tomás Rivera Center for Student Success (TRC), Supplemental Instruction, and the Judith G. Gardener Center for Writing Excellence currently housed in other buildings on campus. The work will update electrical equipment, built-in specialties and equipment, and interior finishes.

Completed construction includes demolition and reconstruction of existing second floor public service areas, including the circulation desk, construction of data closets, and renovation of technical services area, and student and staff lounge areas. Future renovations are planned for the remaining areas of the building when non-library groups are relocated.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. San Antonio Facility Management personnel who have the experience and capability to manage all aspects of the work.

**12. U. T. M. D. Anderson Cancer Center: Clinical Research Building Animal Area Renovation - Amendment of the FY 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Mendelsohn that the U. T. System Board of Regents amend the FY 2010-2015 Capital Improvement Program (CIP) to include the Clinical Research Building (CRB) Animal Area Renovation project at The University of Texas M. D. Anderson Cancer Center as follows:

**Institutionally Managed:** Yes  No

**Project Delivery Method:** Competitive Sealed Proposals

**Substantial Completion Date:** August 2012

<b>Total Project Cost:</b>	<u>Source</u>	<u>Proposed</u>
	Hospital Revenues	\$10,000,000

- a. approve a total project cost of \$10,000,000 with funding from Hospital Revenues;
- b. appropriate funds; and
- c. authorize U. T. M. D. Anderson Cancer Center to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

**BACKGROUND INFORMATION**

**Project Description**

The proposed project will renovate existing space that will be used for an animal facility. The renovation project will address the existing animal housing deficiencies of the main campus through two specific initiatives. The first initiative will renovate and expand the M. D. Anderson Cancer Center North Campus Vivarium (NCV) housing, procedure, and support facilities by converting 31,000 square feet of existing animal housing and procedure rooms to increase the capacity by approximately 8,500 cages of mice and add critically needed quarantine and specialized rodent procedure space. The second initiative will augment the NCV infrastructure by semi-automating the cage wash operations through the use of robotics, constructing a new materials management corridor, extending electronic facility environmental monitoring and task management systems into the newly renovated space, and relocating administrative office space out of the existing facility.

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. Design development plans and authorization of expenditure of funding will be approved by the President at a later date.

**13. U. T. El Paso: University Parking Garage II – Amendment of the FY 2010-2015 Capital Improvement Program 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 (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Natalicio that the U. T. System Board of Regents approve the recommendations for the University Parking Garage II project at The University of Texas at El Paso as follows:

<b>Project No.:</b>	201-553		
<b>Project Delivery Method:</b>	Design Build		
<b>Substantial Completion Date:</b>	December 2011		
<b>Total Project Cost:</b>	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Unexpended Plant Funds	\$ 7,000,000	\$ 7,430,000
	Revenue Financing System Bond Proceeds	\$ 5,000,000	\$ 5,000,000
		\$12,000,000	\$12,430,000
<b>Investment Metrics:</b>	By 2011		
	<ul style="list-style-type: none"> <li>• Increase in University parking capacity in a developing area of campus</li> <li>• Ease campus arterial traffic congestion on Schuster Avenue and related parking lots</li> </ul>		

- a. amend the FY 2010-2015 Capital Improvement Program to increase the total project cost from \$12,000,000 to \$12,430,000;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of \$7,430,000 from Unexpended Plant Funds and \$5,000,000 from Revenue Financing System Bond Proceeds;
- d. approve the evaluation of alternative energy economic feasibility; 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. System Board of Regents relating to the Financing System; and
  - U. T. El Paso, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$5,000,000.

## BACKGROUND INFORMATION

### Debt Service

The \$5,000,000 in Revenue Financing System debt will be repaid from parking revenues. Annual debt service on the \$5,000,000 Revenue Financing System debt is expected to be approximately \$289,000. The institution's debt service coverage is expected to be at least 1.2 times and average 2.1 times over FY 2011-2016.

### Previous Board Action

On November 12, 2009, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$12,000,000 with funding of \$7,000,000 from Unexpended Plant Funds and \$5,000,000 from Revenue Financing System Bond Proceeds.

### Project Description

The parking garage project will contain approximately 248,467 gross square feet (GSF) and will consist of a new multistory facility containing approximately 694 parking spaces. The facility will be located in the southeast quadrant of the campus to accommodate the demand for additional parking in that area due to the addition of the new College of Health Sciences – School of Nursing Building and the new Chemistry and Computer Science Building. The increase to the total project cost will ensure that the level of Bhutanese architectural detailing for this facility is consistent with other buildings on campus, namely the existing Sun Bowl Parking Garage.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 60-75 years
- Building Systems: 25-35 years

The exterior appearance and finish are consistent with existing campus parking garages and with the existing Campus Master Plan.

*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. Southwestern Medical Center – Dallas: New University Hospital - Amendment of the FY 2010-2015 Capital Improvement Program 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 (Final Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Podolsky that the U. T. System Board of Regents approve the recommendations for the New University Hospital project at The University of Texas Southwestern Medical Center at Dallas as follows:

**Project No:** 303-366

**Institutionally Managed:** Yes  No

**Project Delivery Method:** Construction Manager at Risk

**Substantial Completion Date:** September 2014

<b>Total Project Cost:</b>	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$400,000,000	\$434,000,000
	Gifts	\$200,000,000	\$200,000,000
	Designated Funds	<u>\$200,000,000</u>	<u>\$166,000,000</u>
		\$800,000,000	\$800,000,000

**Investment Metrics:**

- To reach 150,000 hospital patient days by 2020
  - To reach 24,000 hospital inpatient admissions by 2020
- a. amend the FY 2010-2015 Capital Improvement Program to revise the funding sources from \$400,000,000 from Revenue Financing System Bond Proceeds, \$200,000,000 from Gifts, and \$200,000,000 from Designated Funds to \$434,000,000 from Revenue Financing System Bond Proceeds, \$200,000,000 from Gifts, and \$166,000,000 from Designated Funds;
  - b. approve design development plans;
  - c. appropriate funds and authorize expenditure of funds;
  - d. approve the evaluation of alternative energy economic feasibility; 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. System 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. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$434,000,000.

**BACKGROUND INFORMATION**

Debt Service

The \$434,000,000 in aggregate Revenue Financing System debt will be repaid from hospital revenues. Annual debt service on the \$434,000,000 Revenue Financing System debt is expected to be \$23,500,000. The institution's debt service coverage is expected to be at least 1.7 times and average 2.4 times over FY 2011-2016. Not all of

the gift funding authorized for expenditure is fully collected or committed at this time; however, the Office of Finance has determined that the institution possesses sufficient local funds to cover any shortfall.

### Previous Board Actions

On August 23, 2007, the project (formerly known as Clinical Campus Phase 2) was included in the CIP with a total project cost of \$360,000,000 with funding of \$100,000,000 from Gifts, \$50,000,000 from Revenue Financing System Bond Proceeds, \$50,000,000 from Interest on Local Funds, \$80,000,000 from Unexpended Plant Funds, and \$80,000,000 from Medical Services Research and Development Plan funds. On November 12, 2009, the Board approved the increase to the total project cost to \$800,000,000 and revised the funding sources to \$200,000,000 from Gifts, \$400,000,000 from Revenue Financing System Bond Proceeds, and \$200,000,000 from Designated Funds, appropriated \$48,000,000 from Designated Funds to begin demolition, and redesignated the project as the New University Hospital.

### Project Description

The original project was anticipated to be a 224-bed addition to St. Paul University Hospital. During the programming of the project it became evident that the scale, location, and cost would need to be changed to serve the current needs of the institution and patients. The traffic congestion at this site and continued use of the older sections of St. Paul University Hospital, as well as a lack of teaching space, patient flow issues, and the disruption caused by construction activity over many years, were of particular concern. In addition, the site would not allow later expansion to accommodate future relocation of clinical programs at Zale Lipshy University Hospital when that facility eventually needs to be replaced.

The New University Hospital is planned to be a twelve story, 424-bed facility that will replace the existing St. Paul University Hospital. The hospital will contain approximately 1,462,750 gross square feet (GSF) and will be a full service tertiary hospital that will include 24 operating rooms, 40 emergency rooms, 6 endoscopy rooms, and 12 catheterization/interventional rooms, imaging services rooms, and ultrasound rooms. Support space includes dietary, pharmacy, laboratories, materials management, on call rooms, admitting, and administration. Ancillary facilities include a thermal energy plant with an underground utility tunnel, a helicopter-pad, a 450-car parking garage, surface parking, roads, and utilities. The hospital will provide significant space and resources for medical education and clinical research.

The hospital will be located on 32 acres of land across from the North Campus. Prior to beginning the hospital construction, the occupants of three existing buildings will need to be relocated and those buildings demolished.

The timing of this project is significant from a debt financing perspective. The Office of Finance is concerned about the impact that rising interest rates could have on this project and the possibility that the Build America Bond program may not be extended

beyond its scheduled December 31, 2010 expiration date, or if extended, the program may be renewed at a lower subsidy level in subsequent years. The traditional methodology would be to issue floating-rate commercial paper to fund construction and then issue long-term fixed-rate bonds at the end of construction in 2015. However, the preferred approach for this project is to issue some or all of the debt in the form of fixed rate Build America Bonds later this year to lock in a fixed interest rate of less than 4.0% on the bonds. The primary result of this approach is to increase capitalized interest during construction while significantly reducing budgeted debt service over the next 30-year life of the bonds. Based on current interest rates and subsidy levels, the Office of Finance and U. T. Southwestern management are planning to proceed with this approach. In order to internally fund a portion of the Build America Bond program interest expense during construction, the internal funds component has been reduced by \$34 million. U. T. Southwestern will pay interest during construction partially from bond proceeds and from its institutional funds.

### Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50-75 years
- Building Systems: 25-30 years
- Interior Construction: 15-20 years

The exterior appearance and finish are consistent with existing campus buildings and aligned with the 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 other hospitals in similar use.

*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.

**15. U. T. M. D. Anderson Cancer Center: Demolish Old Spanish Trail (OST) Buildings - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost and appropriation of additional funds (Final Board approval)**

RECOMMENDATION

The Chancellor 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 Demolish Old Spanish Trail (OST) Buildings project at The University of Texas M. D. Anderson Cancer Center as follows:

**Project No.:** 703-X13

**Institutionally Managed:** Yes  No

**Project Delivery Method:** Competitive Sealed Proposals

**Substantial Completion Date:** November 2011

<b>Total Project Cost:</b>	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Hospital Revenues	\$4,000,000	\$5,500,000

- a. amend the FY 2010-2015 Capital Improvement Program (CIP) to increase the total project cost from \$4,000,000 to \$5,500,000; and
- b. appropriate additional funding of \$1,500,000 from Hospital Revenues.

BACKGROUND INFORMATION

Previous Board Action

On August 23, 2007, the project was included in the CIP with a total project cost of \$4,000,000 with funding from Hospital Revenues.

Project Description

The project will demolish the former military facilities (Army, Navy and Marines) located on Old Spanish Trail (OST) allowing for the expansion of research facilities at the South Campus area. The Campus Master Plan anticipates demolishing the six buildings on the site, allowing for future site development. The increase to the total project cost more accurately reflects the cost of demolishing the OST buildings.

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of

construction projects under the continued oversight of the Office of Facilities Planning and Construction. Design development plans and authorization of expenditure of funding will be approved by the President at a later date.

**16. U. T. M. D. Anderson Cancer Center: Houston Main Building Demolition and Infrastructure - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost and appropriation of additional funds (Final Board approval)**

RECOMMENDATION

The Chancellor 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 Houston Main Building (HMB) Demolition and Infrastructure project at The University of Texas M. D. Anderson Cancer Center as follows:

**Project No.:** 703-X19  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Design Build  
**Substantial Completion Date:** May 2011  
**Total Project Cost:**

<u>Source</u>	<u>Current</u>	<u>Proposed</u>
Hospital Revenues	\$10,000,000	\$17,500,000

- a. amend the FY 2010-2015 Capital Improvement Program (CIP) to increase the total project cost from \$10,000,000 to \$17,500,000; and
- b. appropriate additional funding of \$7,500,000 from Hospital Revenues.

BACKGROUND INFORMATION

Previous Board Action

On August 7, 2003, the project was included in the CIP with a total project cost of \$10,000,000 with funding from Hospital Revenues.

Project Description

This project will demolish the existing Houston Main Building. Renovation of the existing building to meet current life safety, accessibility, and energy efficiency standards is not economically feasible. The facility is not sprinkled and fails to meet current life safety and Americans with Disabilities Act (ADA) code requirements. The air conditioning and

electrical systems are antiquated and expensive to upgrade. The site will then be used for the construction of new patient care facilities. The revised total project cost is the result of a better defined scope and will allow demolition to commence.

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. Design development plans and authorization of expenditure of funding will be approved by the President at a later date.

**17. U. T. M. D. Anderson Cancer Center: South Campus Vivarium Retrofit - Amendment of the FY 2010-2015 Capital Improvement Program to increase the total project cost and appropriation of additional funds (Final Board approval)**

**RECOMMENDATION**

The Chancellor 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 South Campus Vivarium Retrofit project at The University of Texas M. D. Anderson Cancer Center as follows:

<b>Project No.:</b>	703-X47		
<b>Institutionally Managed:</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
<b>Project Delivery Method:</b>	Competitive Sealed Proposals		
<b>Substantial Completion Date:</b>	August 2012		
<b>Total Project Cost:</b>	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Hospital Revenues	\$4,000,000	\$14,000,000

- a. amend the FY 2010-2015 Capital Improvement Program (CIP) to increase the total project cost from \$4,000,000 to \$14,000,000; and
- b. appropriate additional funding of \$10,000,000 from Hospital Revenues.

**BACKGROUND INFORMATION**

**Previous Board Actions**

On August 23, 2007, the project was included in the CIP with a total project cost of \$4,000,000 with funding from Hospital Revenues. On June 23, 2010, the Executive Vice Chancellor for Health Affairs approved the nonhonorific renaming of the project from the South Campus Vivarium Imaging Facility to the South Campus Vivarium Retrofit.

## Project Description

The project will renovate, expand, and equip animal housing and procedure areas in the older vivarium space in the R. E. "Bob" Smith Research Building along with the build out of shell space in the South Campus Vivarium encompassing approximately 18,500 gross square feet (GSF). This project will build out two areas. One space is located within existing but currently unusable vivarium space and will include rodent housing rooms, general use procedure rooms, locker rooms, a pass-through materials transfer station, and a vaporized hydrogen peroxide decontamination room. The second space to be built out is previously shelled space in the South Campus Vivarium that will include an imaging suite, quarantine housing room, procedure rooms, and rodent housing rooms. Additional enhancements include semiautomation of cage wash operations through the use of robotics and other systems into the newly renovated space.

The revised total project cost is the result of an expanded scope of work and will encompass renovation of additional space. The need for additional rodent housing is based on animal population projections, trends in grant funding, and surveys of research faculty.

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. Design development plans and authorization of expenditure of funding will be approved by the President at a later date.