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Committee Meeting: 8/24/2011

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Austin, Texas

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

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Adjourn

5:00 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. Austin: FY 12 High Priority Fire and Life Safety Projects and FY 13 High Priority Fire and Life Safety Projects - Amendment of the FY 2012-2017 Capital Improvement Program to include projects; approval of total project costs; 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 2012-2017 Capital Improvement Program (CIP) to include the FY 12 High Priority Fire and Life Safety Projects and FY 13 High Priority Fire and Life Safety Projects at The University of Texas at Austin as follows:

FY 12 High Priority Fire and Life Safety Projects

Project No.: 102-639
Institutionally Managed: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: August 2013
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Permanent University Fund Bond Proceeds	\$3,400,000

FY 13 High Priority Fire and Life Safety Projects

Project No.: 102-646
Institutionally Managed: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: August 2014
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Permanent University Fund Bond Proceeds	\$3,300,000

- a. approve the FY 12 High Priority Fire and Life Safety Projects with a total project cost of \$3,400,000 with funding from Permanent University Fund (PUF) Bond Proceeds and the FY 13 High Priority Fire and Life Safety Projects with a total project cost of \$3,300,000 with funding from PUF Bond Proceeds;
- b. appropriate funds; and
- c. authorize U. T. Austin to manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

Previous Board Action

On August 12, 2010, the Board approved the allocation of \$3,300,000 from PUF Bond Proceeds for Fiscal Year 2011, \$3,400,000 from PUF Bond Proceeds for Fiscal Year 2012 and \$3,300,000 for Fiscal Year 2013. On May 12, 2011, the Board appropriated FY 2011 funds for the FY 11 Fire and Life Safety and ITS Renovations project.

Project Description

The projects will continue correction of various fire and life safety deficiencies identified as high priority items. The FY 12 High Priority Fire and Life Safety Projects will include design and installation of fire sprinkler and fire alarm systems, correction of egress deficiencies, and installation of a gas monitoring system. Buildings involved will include the Animal Resources Center, Burdine Hall, the Graduate School of Business Building, Hogg Memorial Auditorium, the Main Building, Sid Richardson Hall, and the Chemical and Petroleum Engineering Building.

The FY 13 High Priority Fire and Life Safety Projects will continue with design and installation of the sprinkler systems, fire alarm systems, and correction of egress deficiencies in various buildings, including Sid Richardson Hall, Burdine Hall, the Main Building, and the Graduate School of Business 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.

3. U. T. Health Science Center - San Antonio: FY 12 Fire and Life Safety Projects and FY 13 Fire and Life Safety Projects - Amendment of the FY 2012-2017 Capital Improvement Program to include projects; 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 2012-2017 Capital Improvement Program (CIP) to include the FY 12 Fire and Life Safety Projects and FY 13 Fire and Life Safety Projects at The University of Texas Health Science Center at San Antonio as follows:

FY 12 Fire and Life Safety Projects

Project No.: 402-637
Institutionally Managed: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: August 2014
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Permanent University Fund Bond Proceeds	\$8,000,000

FY 13 Fire and Life Safety Projects

Project No.: 402-647
Institutionally Managed: Yes No
Project Delivery Method: Competitive Sealed Proposals
Substantial Completion Date: August 2015
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Permanent University Fund Bond Proceeds	\$5,500,000

- a. approve the FY 12 Fire and Life Safety Projects with a total project cost of \$8,000,000 with funding from Permanent University Fund (PUF) Bond Proceeds and the FY 13 Fire and Life Safety Projects with a total project cost of \$5,500,000 with funding from PUF Bond Proceeds;
- b. appropriate funds; and
- c. authorize U. T. Health Science Center - San Antonio to manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

Previous Board Action

On August 12, 2010, the Board approved the allocation of \$8,000,000 from PUF Bond Proceeds for Fiscal Year 2012 and \$5,500,000 for Fiscal Year 2013 for these projects.

Project Description

The projects will continue correction of various fire and life safety deficiencies identified as high priority items. The FY 12 Fire and Life Safety Projects will include replacement of the fire alarm system in the Grossman Building and Phase I of installing a sprinkler system in the Dental School Building as well as other high priority fire and life safety issues identified by campus.

The FY 13 Fire and Life Safety Projects will include installation of additional sprinklers in the Medical School Building as well as other high priority fire and life safety issues identified by 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.

4. **U. T. Dallas: National Science Foundation (NSF) Engineering Research Center - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the National Science Foundation (NSF) Engineering Research Center project at The University of Texas at Dallas as set forth on the next page.

Project No.: 302-643
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: August 2014

Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$18,000,000
	Unexpended Plant Funds	<u>\$ 2,000,000</u>
		\$20,000,000

Investment Metric: Attract research funding of over \$100 million per year in research expenditures by 2017.

BACKGROUND INFORMATION

The proposed project will provide an approximately 50,000 gross square feet (GSF) facility to house the NSF Engineering Research Center for nanostructured materials for macroelectronic systems. The Center will focus on large flexible electronics with emphasis on large area displays and sensors ranging from radiation detectors to structural monitoring systems to flexible computer display screens. The facility will support faculty, undergraduate, and graduate students; design rooms and laboratories; and space for industry partners and technology transfer. The project will also provide parking and other infrastructure improvements.

Currently, the University has no space to house the Center. Off-campus rental property could be utilized; however, securing a Center represents an opportunity to build capacity and visibility on campus and to engage students. This project will proceed contingent on the NSF approving U. T. Dallas as home of the Engineering Research Center for nanostructured materials for macroelectronic systems.

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

5. **U. T. Dallas: School of Management Phase II - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the School of Management Phase II project at The University of Texas at Dallas as set forth on the next page.

Project No.:	302-642	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	June 2014	
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds	\$20,000,000
	Permanent University Fund Bond Proceeds	<u>\$ 5,000,000</u>
		\$25,000,000
Investment Metrics:	<u>By 2017</u>	
	<ul style="list-style-type: none"> • Increase enrollment by 5,000 full-time equivalent students • Increase tenure-track faculty from 464 to 610 	

BACKGROUND INFORMATION

The proposed project will provide an approximately 100,000 gross square feet (GSF) addition to the School of Management building. The project will include classrooms, seminar rooms, classroom laboratories, student support space, and offices. The project will also include parking and additional chilling plant capacity. A portion of this addition will be shelled space to realize efficiencies of scale and provide impetus for future gifts.

The University is facing a critical space crunch as enrollment has increased from 14,500 in 2007 to a projected 18,400 this fall, a 27% increase in four years. The School of Management, the University's largest and most highly ranked school, and a world-leading research business school, is critical to U. T. Dallas' Strategic Plan growth imperative. The School interacts closely with the Engineering School, collaborating in systems engineering and management. The School of Management launched the Institute for Innovation and Entrepreneurship, the focal point for technology commercialization and business start-up, the success of which has created the need for more space.

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

6. **U. T. San Antonio: Administrative Office Building - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Romo that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the Administrative Office Building project at The University of Texas at San Antonio as follows:

Project No.: 401-645

Project Delivery Method: Construction Manager-at-Risk

Substantial Completion Date: May 2014

Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Designated Funds	\$21,500,000

Investment Metrics: By 2014

- Realize savings of approximately \$1,300,000 per year in rent
- Increase efficiency by eliminating time lost commuting between main campus and off-campus leased space

BACKGROUND INFORMATION

This project will design and construct a five-story, approximately 90,000 gross square foot (GSF) building to house various administrative functions including Human Resources, Accounting, Audit, Legal, and Advancement offices that are currently leasing space off campus.

By relocating administrative functions currently housed off-campus in leased office space, the University will save approximately \$1,300,000 per year in rent. Additionally, the University will benefit from the improved efficiency resulting from eliminating time lost by administrative personnel commuting between the main campus and off-campus leased space.

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

7. U. T. M. D. Anderson Cancer Center: Mid-Campus Building 1 (1MC) Tenant Buildout - Amendment of the FY 2012-2017 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 2012-2017 Capital Improvement Program (CIP) to include the Mid-Campus Building 1 (1MC) Tenant Buildout project at The University of Texas M. D. Anderson Cancer Center as follows:

Project No.: 703-X56
Institutionally Managed: Yes No
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: September 2013
Total Project Cost:

<u>Source</u>	<u>Proposed</u>
Hospital Revenues	\$51,000,000

- a. approve a total project cost of \$51,000,000 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 build out shelled Floors 11-16 in the 1MC building for occupancy by employees currently housed. The 1MC building is M. D. Anderson's first facility located in the mid-campus area and was constructed to provide office space for employees currently located on the Main Campus and in various lease sites, as well as new incremental space to support institutional growth projections.

Employees previously housed in the Priority 1 leases began moving into the 1MC building during June 2011. More than 1,000 tenants are vacating lease space and relocating into the 1MC building as part of the Priority 1 lease expirations. Beginning January 2012, 510 employees will be moving into the building with the expiration of the Priority 2 leases. The build-out of Floors 11-16 will provide space for employees

currently housed in Priority 3 leased space and will provide space for specified departments moving from the T. Boone Pickens Academic Tower. A total of 1,970 tenants are expected to occupy the floors upon completion.

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.

8. U. T. M. D. Anderson Cancer Center: Katy Regional Care Center - Amendment of the FY 2012-2017 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 2012-2017 Capital Improvement Program (CIP) to include the Katy Regional Care Center project at The University of Texas M. D. Anderson Cancer Center as follows:

Project No.: 703-X57
Institutionally Managed: Yes No
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: October 2012
Total Project Cost:

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

- a. approve a total project cost of \$5,000,000 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

This project will create an outpatient imaging center in the West Houston/Katy area. The need for the Center stems from capacity constraint in the outpatient imaging areas of the main campus and a clinical imperative to provide needed ancillary services to the Katy area patient base. Based on utilization and patient origin analysis, an imaging center housing all major modalities could be supported immediately.

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.

9. U. T. M. D. Anderson Cancer Center: Campus Telecomm Master Plan - Amendment of the FY 2012-2017 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 2012-2017 Capital Improvement Program (CIP) to include the Campus Telecomm Master Plan project at The University of Texas M. D. Anderson Cancer Center as follows:

Project No.: 703-X58
Institutionally Managed: Yes No
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: August 2016

Total Project Cost: Source Proposed
Hospital Revenues \$ 9,700,000

- a. approve a total project cost of \$9,700,000 with funding from Hospital Revenues;
- b. appropriate funds; and
- c. authorize U. T. M. D. Anderson Cancer Center to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

Project Description

This project will install and relocate underground fiber optic systems to connect current and future buildings located on the campus. The project will support the expansion of the campus and will provide redundant paths for both voice and data networks.

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.

10. U. T. Austin: High Performance Computing Facility Expansion - Approval of design development and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for 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 High Performance Computing Facility Expansion project at The University of Texas at Austin as follows:

Project No.:	102-627	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	April 2013	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Unexpended Plant Funds	\$55,000,000
	Available University Funds	<u>\$ 1,000,000</u>
		\$56,000,000

- Investment Metrics:**
- Leverage existing systems to compete for National Science Foundation (NSF) grant with potential of \$54,000,000 over next four years and with potential for renewal by 2015
 - Maintain computing capacity at the highest levels to remain competitive in one of the University's highest strategic priorities
 - Continue to recruit the best faculty and graduate students
 - Increase national and international exposure by retaining the Top 10 ranking in supercomputing systems

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of funds.

BACKGROUND INFORMATION

Previous Board Action

On February 18, 2011, the project was included in the Capital Improvement Program with a total project cost of \$56,000,000 with funding of \$55,000,000 from Unexpended Plant Funds, and \$1,000,000 from Available University Funds.

Project Description

The expansion of the data center at the Texas Advanced Computing Center (TACC) will provide approximately 11,000 gross square feet (GSF) of high-density computing center space with an additional six megawatts of power. The proposed facility will host high-end research-focused computing systems for the TACC, located in the existing Research Office Complex (ROC) building on the J. J. Pickle Research Campus (PRC). The project will also include an approximately 8,675 GSF central utility plant and utility infrastructure upgrades at the PRC to support the current project needs and in preparation for future growth of the University's research endeavors.

This project will increase national and international exposure of the creative and intellectual assets and accomplishments of the University in technology advances. The TACC and Ranger computing systems have been featured prominently in the news media. In addition, the High Performance Computing Facility Expansion will help the University retain the Top 10 ranking in supercomputing systems that it has held for the last 18 months.

In 2010, U. T. Austin and HMG & Associates, Inc., prepared a statement of Owner's Project Requirements for expanding the computer machine room at the TACC with the goal of maintaining a competitive data center infrastructure for housing world-class computing systems. A thorough investigation by the consultants, combined with the Center's in-depth strategic research planning, has resulted in a compelling plan to meet the programmatic needs and growth goals of the Center while enhancing the Center's mission to advance science and society through the application of advanced computing technologies.

The High Performance Computing Facility Expansion will allow the TACC to submit a proposal for a National Science Foundation (NSF) grant. U. T. Austin is well-positioned to win this competition. This grant has the potential to bring \$54,000,000 over the next four years, with \$30,000,000 for the computing system plus an additional \$24,000,000 for operations and activities, and the possibility of renewal for an additional \$54,000,000

over an additional four years. This would give the University the ability to leverage its high-end data center to receive significant amounts of additional grant funding.

Computing is a rapidly changing field, with high-end systems becoming ever larger. To maintain leadership, the University must periodically increase data center infrastructure capabilities. Power and cooling are even more important than space, and data center infrastructure is now dominated by power costs, for both construction and operation. For progress, as well as competitive advantage, the periodic increase of data center infrastructure is required. Having previously won a \$59,000,000 award from NSF to deploy and support the Ranger computer, the TACC now supports well over \$100,000,000 per year of research at U. T. Austin, and this number is expected to reach \$200,000,000 per year with the new Lonestar project. The new data center is essential to compete for, and deploy, the next system beyond Ranger and Lonestar.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 25-30 years
- Building Systems: 25-30 years
- Interior Construction: 10-15 years

The exterior appearance and interior finish are consistent with similar commercial data centers and central plants. 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.

11. **U. T. Pan American: Fine Arts Academic and Performance Complex - Amendment of the FY 2012-2017 Capital Improvement Program to reduce the total project cost; approval to revise the funding sources; approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Nelsen that the U. T. System Board of Regents approve the recommendations for the Fine Arts Academic and Performance Complex at The University of Texas - Pan American as follows:

Project No.: 901-283

Project Delivery Method: Construction Manager-at-Risk

Substantial Completion Date: October 2014

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Tuition Revenue Bond Proceeds	\$39,796,000	\$39,796,000
	Revenue Financing System Bond Proceeds	\$ 7,049,000	\$ 0
	Higher Education Assistance Fund (HEAF)	<u>\$ 2,900,000</u>	<u>\$ 2,900,000</u>
		\$49,745,000	\$42,696,000

Investment Metrics:

By 2015

- Increase space by 14,405 net assignable square feet
 - Increase Music and Dance majors from 320 to 453
 - Increase faculty from 38 to 44
 - Increase yearly graduates from 30 to 35
- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to reduce the total project cost from \$49,745,000 to \$42,696,000;
 - b. revise the funding from \$39,796,000 from Tuition Revenue Bond Proceeds, \$7,049,000 from Revenue Financing System Bond Proceeds, and \$2,900,000 from Higher Education Assistance Funds (HEAF) to \$39,796,000 from Tuition Revenue Bond Proceeds and \$2,900,000 from HEAF;
 - c. approve design development plans; and
 - d. appropriate funds and authorize expenditure of funds.

BACKGROUND INFORMATION

Previous Board Actions

On August 10, 2006, the project was included in the CIP with a total project cost of \$49,745,000 with funding of \$39,796,000 from Tuition Revenue Bond Proceeds and \$9,949,000 from Revenue Financing System Bond Proceeds. On May 10, 2007, the Board designated the project as architecturally significant. On December 10, 2009, the Board revised the scope of the project; revised the funding to \$39,796,000 from Tuition Revenue Bond Proceeds, \$7,049,000 from Revenue Financing System Bond Proceeds, and \$2,900,000 from HEAF; removed the special interest designation; and appropriated funding. On November 11, 2010, the Board revised the scope of the project and redesignated the project as new construction.

Project Description

The scope of the project, revised to align the design program with new budget considerations, will include demolition of the existing Fine Arts Auditorium and Fine Arts Annex, and the construction of a new performing arts center of approximately 60,000 gross square feet (GSF). The center will consist of a mid-sized theater

designed for approximately 1,000 audience members with accessible seating dispersed throughout and four rehearsal facilities with an audience capacity of between 95 and 140 seats each. The lobby will accommodate events to include seated dinners. Restroom, food concessions, circulation, and other audience amenity areas will reflect modern audience expectations for a commercial venue and will be sized to accommodate all theater patrons before and after performances.

The scope of work for the Fine Arts Music Buildings B and C will include the associated demolition of existing interior space with full interior renovations of Building C and renovation of the second floor of Building B to meet the academic program requirements. Renovation will consist of life safety, code, and accessibility upgrades; new heating, ventilation, and air conditioning (HVAC); new interior space reconfigurations; new interior architectural finishes; and new roofing.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50-75 years
- Building Systems: 15-20 years
- Interior Construction: 10-15 years

The exterior and interior appearance and finish are consistent with similar commercial-level state higher education performing arts centers and are aligned with the Campus Master Plan. The mechanical and electrical building systems are designed to ensure an appropriate audience experience.

12. U. T. M. D. Anderson Cancer Center: Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care - Amendment of the FY 2012-2017 Capital Improvement Program to revise funding sources; approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Mendelsohn that the U. T. System Board of Regents approve the recommendations for the Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care project at The University of Texas M. D. Anderson Cancer Center as follows:

Project No.: 703-625
Institutionally Managed: Yes No
Project Delivery Method: Construction Manager-at-Risk

Substantial Completion Date: August 2014

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Gifts	\$ 91,000,000	\$100,000,000
	Hospital Revenues	\$128,800,000	\$154,800,000
	Revenue Financing System Bond Proceeds	\$ 35,000,000	\$ 0
		\$254,800,000	\$254,800,000

Investment Metrics: By 2014

- Create 40 lab modules of approximately 53,000 GSF
 - Create approximately 200 office seats to support lab research
 - Create space for the Institute for Personalized Cancer Therapy, the Center for Pancreatic Cancer, a Clinical Laboratory Improvements Amendments (CLIA) molecular diagnostics laboratory, and a CLIA compliant histo-compatibility laboratory
- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to revise the funding sources from \$91,000,000 from Gifts, \$128,800,000 from Hospital Revenues, and \$35,000,000 from Revenue Financing System Bond Proceeds to \$100,000,000 from Gifts and \$154,800,000 from Hospital Revenues;
- b. approve design development plans; and
- c. appropriate funds and authorize expenditure of funds.

BACKGROUND INFORMATION

Previous Board Actions

On August 7, 2003, the Basic Sciences Research Building Two project was included in the CIP with a total project cost of \$185,000,000 with funding of \$100,000,000 from Gifts, \$50,000,000 from Hospital Revenues, and \$35,000,000 from Revenue Financing System Bond Proceeds. On August 23, 2007, the Board approved an increase in total project cost for the Basic Sciences Research Building Two project to \$254,800,000 with funding of \$91,000,000 from Gifts, \$128,800,000 from Hospital Revenues, and \$35,000,000 from Revenue Financing System Bond Proceeds. On May 13, 2010, the Board approved a name change to the Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care.

Project Description

This project will construct a new research building within M. D. Anderson's main campus area consisting of a 12-story, 4-wing tower encompassing approximately 615,000 gross square feet (GSF). The initial project will consist of site work, construction of the exterior shell and core of the facility, and the interior build-out of approximately 218,298 GSF to include four laboratory wings, four office wings, a central core, and the appropriate amount of conference and building support spaces. The facility will include two research laboratory wings designed with an exterior public corridor that will maximize the

flexibility to meet new and evolving technologies and will be joined with two adjacent office wings by a central collaboration core space in the middle. The build-out of the remaining shell floors will be funded separately over the next several years.

The Zayed Building will be one of a new generation of research facilities that replaces the aging and deficient buildings currently in use. Alternatives for upgrading the existing buildings to modern code requirements were investigated. However, the expense of bringing the buildings up to code minimums would be higher than developing a new research building and would be highly disruptive to the ongoing research program.

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.

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 are 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 research facilities in similar use.

13. **U. T. Medical Branch - Galveston: Jennie Sealy Replacement Hospital - Amendment of the FY 2012-2017 Capital Improvement Program to increase the total project cost; approval to revise the funding sources; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for 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 Jennie Sealy Replacement Hospital project at The University of Texas Medical Branch at Galveston as set forth on the next page.

Project No.: 601-253
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: September 2015

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Gifts	\$150,000,000	\$174,500,000
	Revenue Financing System Bond Proceeds	\$100,000,000	\$100,000,000
	Tuition Revenue Bond Proceeds	\$ 0	\$150,000,000
	Hospital Revenues	<u>\$ 0</u>	<u>\$ 13,500,000</u>
		\$250,000,000	\$438,000,000

- Investment Metrics:** By 2020
- Exceed 122,000 hospital patient days
 - Exceed 26,000 hospital inpatient admissions

- a. amend the FY 2012-2017 Capital Improvement Program to increase the total project cost from \$250,000,000 to \$438,000,000;
- b. approval to revise the funding sources from \$150,000,000 from Gifts and \$100,000,000 from Revenue Financing System Bond Proceeds to \$174,500,000 from Gifts, \$100,000,000 from Revenue Financing System Bond Proceeds, \$150,000,000 from Tuition Revenue Bond Proceeds, and \$13,500,000 from Hospital Revenues;
- c. approve design development plans;
- d. appropriate funds and authorize expenditure of funds; and
- e. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
 - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. 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 \$100,000,000.

BACKGROUND INFORMATION

Debt Service

The \$100,000,000 in aggregate Revenue Financing System debt will be repaid from clinical revenues. Annual debt service on the \$100,000,000 Revenue Financing System debt is expected to be \$7,264,891. The institution's debt service coverage is expected to be at least 2.6 times and average 2.8 times over FY 2012-2017.

Previous Board Action

On August 11, 2005, the project was included in the CIP with a total project cost of \$250,000,000 with funding of \$100,000,000 from Revenue Financing System Bond Proceeds and \$150,000,000 from Gifts.

Project Description

The project consists of a 12-story, approximately 758,677 gross square foot (GSF) building in the northeast quadrant of the U. T. Medical Branch - Galveston campus. The eight-story base facility will include 20 operating rooms (OR) with capability for an inter-operative MRI, two hybrid ORs, a Day Surgery unit with pre-operative and recovery services, and a bed floor with 54 ICU-capable rooms and a CT scanner (essential for surgical, stroke, and heart programs) on the floor. One shell floor in the base building will accommodate future procedural space. Two four-story bed towers are also planned as part of the project, with three floors to be completed with 192 medical-surgical rooms (acuity adaptable). One shell floor in the towers will accommodate an additional 64 inpatient rooms at a future date. Also included in the project is the renovation of the first and second floors of the R. Waverley Smith Pavilion to accommodate public circulation to and from the existing John Sealy Hospital complex, improved support facilities for the existing operating room suite in the John Sealy Hospital, North Annex, and the integration of a connecting, elevated link between the new Jennie Sealy Hospital and the existing Emergency Room Building/Trauma Center.

The revised total project cost is the result of an expanded scope of work from 520,000 GSF to approximately 831,611 GSF. This includes the new construction of approximately 758,677 GSF as well as renovations of approximately 72,934 GSF. Additionally, costs have increased due to a greater percentage of clinical spaces and associated medical equipment costs.

A critical shortage is looming in U. T. Medical Branch's target markets for primary care and specialty care physicians and facilities, along with modern hospital bed capacity. Current patient and surgical rooms are too small and inadequate for both patient care and educational needs; they are not conducive to attracting patients with choices. Existing facilities are a barrier to achievement of U. T. Medical Branch's Clinical

Strategic Plan goals, including recruitment of renowned faculty and top residents and students. The project will reposition U. T. Medical Branch as the "hospital of choice" rather than merely a "safety net" or prison hospital.

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 are 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.

See related item in the Health Affairs Committee, Item 3 on Page 200.

14. U. T. Austin: Belo Center for New Media - Amendment of the FY 2012-2017 Capital Improvement Program to increase the total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents approve the recommendations for the Belo Center for New Media project at The University of Texas at Austin as follows:

Project No.: 102-041
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: May 2012

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Gifts	\$17,956,000	\$17,956,000
	Unexpended Plant Funds	\$ 7,675,000	\$10,120,000
	Revenue Financing System Bond Proceeds	\$30,094,000	\$30,094,000
	Designated Funds	<u>\$ 0</u>	<u>\$ 4,100,000</u>
		\$55,725,000	\$62,270,000

Investment Metrics:

- The facility will consolidate and reduce the burden of more than 40% of the communication classes that are taught in other buildings on campus by 2013
 - The new facility will increase local and national exposure of the creative and intellectual assets of the University by 100% by 2013
- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to increase the total project cost from \$55,725,000 to \$62,270,000;
 - b. revise the funding sources to include an additional \$2,445,000 from Unexpended Plant Funds and \$4,100,000 from Designated Funds; and
 - c. appropriate funds and authorize expenditure of \$2,445,000 from Unexpended Plant Funds and \$4,100,000 from Designated Funds.

BACKGROUND INFORMATION

Previous Board Actions

On November 11, 1999, the College of Communication Building project was included in the CIP with a total project cost of \$32,000,000 with funding from Gifts. With the adoption of the FY 2008-2013 CIP on August 23, 2007, the total project cost increased to \$45,000,000 with funding from Gifts. On February 7, 2008, the total project cost was increased to \$54,000,000 with funding from Gifts. On August 20, 2009, the Board approved design development and decreased the total project cost to \$50,660,000 with funding of \$14,542,000 from Gifts, \$6,024,000 from Unexpended Plant Funds, and \$30,094,000 from Revenue Financing System Bond Proceeds. On September 3, 2009, the Associate Vice Chancellor for Facilities Planning and Construction approved the redesignation of the project from the College of Communication - New project to the Belo Center for New Media. On September 17, 2010, the Chancellor approved an increase in the total project cost to \$52,110,000, with funding of \$16,481,000 from Gifts, \$5,535,000 from Unexpended Plant Funds, and \$30,094,000 from Revenue Financing System Bond Proceeds. On May 18, 2011, the Chancellor approved an increase in the total project cost to \$55,725,000 with funding of \$17,956,000 from Gifts, \$7,675,000 from Unexpended Plant Funds, and \$30,094,000 from Revenue Financing System Bond Proceeds.

Project Description

The original scope of work created approximately 120,000 gross square feet (GSF) of state-of-the-art facilities to enable teaching, learning, and research to cross traditional boundaries and create new forms of communication and collaboration that include multiuse classrooms, research labs, performance production and broadcast studios, public forum spaces, and offices. The project included approximately 20,000 GSF of shelled space for future use by KUT Radio for multimedia production, studios, and office

and community space with an emphasis on audio services, including specialized studio, performance, and digital networking facilities. The proposed increase in funding will complete the finish out of the KUT shell space and will renovate spaces vacated by the College of Communication following occupancy of the completed Belo Center for New Media. The renovation will include targeted areas within the Jesse H. Jones Communication Center Building A and Building B, originally completed in 1974 to serve 1,000 students. Currently, the College of Communication serves more than 4,200 students, as well as 125 faculty, and 140 staff.

15. U. T. Austin: Dell Computer Science Hall/Bill and Melinda Gates Computer Science Complex - Amendment of the FY 2012-2017 Capital Improvement Program (CIP) to increase the total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents approve the recommendations for the Dell Computer Science Hall/Bill and Melinda Gates Computer Science Complex project at The University of Texas at Austin as follows:

Project No.: 102-254

Architecturally or Historically Significant: Yes No

Project Delivery Method: Construction Manager-at-Risk

Substantial Completion Date: March 2013

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Gifts	\$40,000,000	\$ 40,000,000
	Permanent University Fund Bond Proceeds	\$20,000,000	\$ 20,000,000
	Revenue Financing System Bond Proceeds	\$38,480,000	\$ 38,480,000
	Designated Funds	\$ 0	\$ 23,000,000
		\$98,480,000	\$121,480,000

Investment Metrics: By 2016

- Provide one contiguous building complex for all current and projected departmental resources
- Provide space to expand tenure-track faculty from 42 to 60
- Increase external research funding by \$10,000,000
- Provide 10 flexible research “pods”
- Provide 30 classrooms within complex

- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to increase the total project cost from \$98,480,000 to \$121,480,000;
- b. revise the funding sources to include \$23,000,000 from Designated Funds; and
- c. appropriate and authorize expenditure of \$23,000,000 from Designated Funds.

BACKGROUND INFORMATION

Previous Board Actions

Dell Computer Science Hall - On May 11, 2006, the project was included in the CIP with a total project cost of \$67,000,000 with funding from Gifts, was named the Dell Computer Science Hall, and was designated as architecturally significant. On November 16, 2006, the Board revised the funding to \$47,000,000 from Gifts and \$20,000,000 from Permanent University Fund (PUF) Bond Proceeds.

Computer Sciences Building - Phase 2 - On November 9, 2007, the project was included in the CIP with a total project cost of \$53,000,000 with funding from Gifts. Following Board action on May 13, 2010, the entire project consisting of the Dell Computer Science Hall and the Computer Sciences Building - Phase 2 was named as the Bill & Melinda Gates Computer Science Complex.

Dell Computer Science Hall/Bill and Melinda Gates Computer Science Complex - On May 13, 2010, the Board combined the Dell Computer Science Hall and the Bill & Melinda Gates Computer Science Complex projects and redesignated the project as the Dell Computer Science Hall/Bill and Melinda Gates Computer Science Complex, approved design development, revised the funding and total project cost to \$98,480,000 with funding of \$40,000,000 from Gifts, \$20,000,000 from PUF Proceeds, and \$38,480,000 from Revenue Financing System Bond Proceeds.

Project Description

The Dell Computer Science Hall/Bill and Melinda Gates Computer Science Complex will replace Taylor Hall of Engineering and the basement of Chilling Station 2. It will provide space for faculty, researchers, visitors, postdoctoral assistants, graduate students, research labs, instructional labs, classrooms, electronic seminar rooms, and lecture halls. The approximately 230,000 gross square foot (GSF) complex will be linked to the existing Applied Computational Engineering and Sciences (ACES) Building to the north.

The new computer science complex will ultimately provide approximately 143,000 net assignable square feet (NASF) in contrast to today's 82,000 NASF scattered among seven buildings. Initially, the project proceeded into construction with just over 54,000 NASF built out with a goal of finishing out additional space as funds became available. The proposed increase in funding will finish out the remaining interior space of approximately 89,000 NASF without a significant schedule impact.

16. U. T. Austin: Darrell K Royal - Texas Memorial Stadium - Athletics Offices Infill and Stadium Maintenance and Renovation project - Amendment of the FY 2012-2017 Capital Improvement Program to increase the total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

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

Project No.: 102-577
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: August 2012

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Gifts	\$ 5,700,000	\$ 5,700,000
	Revenue Financing System Bond Proceeds	<u>\$12,000,000</u>	<u>\$28,000,000</u>
		\$17,700,000	\$33,700,000

- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to increase the total project cost from \$17,700,000 to \$33,700,000;
- b. appropriate and authorize expenditure of an additional \$16,000,000 from Revenue Financing System Bond Proceeds; 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 \$16,000,000.

BACKGROUND INFORMATION

Debt Service

The \$16,000,000 in aggregate Revenue Financing System debt will be repaid from athletics revenues, including network revenues. Annual debt service on the \$16,000,000 Revenue Financing System debt is expected to be \$1,283,881. The institution's debt service coverage is expected to be at least 2.4 times and average 2.7 times over FY 2012-2017.

Previous Board Actions

On August 12, 2010, the project was included in the CIP with a total project cost of \$17,700,000 with funding of \$12,000,000 from Revenue Financing System Bond Proceeds and \$5,700,000 from Gifts. On January 21, 2011, the Chancellor approved the design development plans and authorized expenditure of funds.

Project Description

The original scope of work includes infill of the North End Zone seventh floor of the Darrell K Royal - Texas Memorial Stadium to provide office space for Intercollegiate Athletics. The proposed increase in funding is to provide indoor training and rehabilitation areas in the lower level of the North End Zone and network infrastructure extensions. This additional scope of work will be performed in lieu of a portion of the original structural repair, waterproofing, other maintenance and renovation work, and bleacher replacement to the older sections of the Stadium.

The training and rehabilitation areas are needed to provide equal accommodation for Women's Athletics and all other sports teams, excluding football, and to consolidate these services with the Intercollegiate Athletics offices, compliance offices, and academic areas in the North End Zone of the

Stadium. Currently, these services are being performed at the Moncrief-Neuhaus Athletics Center, which is overcrowded, limited in space, and does not meet Intercollegiate Athletics' obligation to provide first-rate medical aid to all students.

The network infrastructure extensions will provide better coverage for U. T. athletic events.