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Committee Meeting: 11/8/2007

Board Meeting: 11/9/2007  
Austin, Texas

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| <b>Convene</b>   | <i>12:30 p.m.</i><br><i>Chairman</i><br><i>Barnhill</i>    |                      |             |
| 1. <b>U. T. System: Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include six projects with funding from Permanent University Fund Bond Proceeds</b>  | <i>12:30 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>82</b>   |
| <ul style="list-style-type: none"> <li>• U. T. Arlington Center for Structural Engineering Research</li> <li>• U. T. Arlington Fire and Life Safety Projects</li> <li>• U. T. El Paso College of Health Sciences/School of Nursing</li> <li>• U. T. San Antonio Fire and Life Safety Projects</li> <li>• U. T. Health Science Center - Houston Fire and Life Safety Projects</li> <li>• U. T. Health Science Center - San Antonio Fire and Life Safety Projects</li> </ul> |  |                      |             |
| 2. <b>U. T. Arlington: Parking Garage for South Campus - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project</b>  | <i>12:34 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>85</b>   |
| 3. <b>U. T. Austin: Computer Sciences Building - Phase 2 - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project</b>  | <i>12:38 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>86</b>   |
| 4. <b>U. T. Austin: Houston Research Center Warehouse Addition - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; authorization of institutional management; and resolution regarding parity debt</b>  | <i>12:42 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>87</b>   |

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| 5. <b>U. T. Austin: Indoor Tennis Facility at Whitaker Fields - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project</b>   | 12:46 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>88</b>   |
| 6. <b>U. T. Austin: Renovation of E. P. Schoch Building - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt</b>  | 12:50 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>89</b>   |
| 7. <b>U. T. Southwestern Medical Center - Dallas: Biotechnology Development Complex - Phase I Finish Out - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; authorization of institutional management; and resolution regarding parity debt</b>    | 12:54 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>91</b>   |
| 8. <b>U. T. Health Science Center - Houston: Center for Clinical and Translational Science - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and authorization of institutional management</b>  | 12:58 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>93</b>   |
| 9. <b>U. T. Arlington: Civil Engineering Laboratory Building - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt</b>        | 1:02 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i>  | <b>Action</b>        | <b>94</b>   |
| 10. <b>U. T. Austin: Library and Artifact High-Density Repository (formerly Library Storage Facility) - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; and approval of evaluation of alternative energy economic feasibility</b> | 1:06 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i>  | <b>Action</b>        | <b>97</b>   |

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| 11. <b>U. T. Austin: San Antonio Garage Additional Parking Levels (Formerly Nueces Garage) - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt</b>     | <i>1:10 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>99</b>   |
| 12. <b>U. T. Dallas: Student Housing Living/Learning Center - Request for approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt</b>  | <i>1:14 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>102</b>  |
| 13. <b>U. T. Southwestern Medical Center - Dallas: Biotechnology Development Complex - Phase I - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to decrease 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</b> | <i>1:18 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>104</b>  |
| 14. <b>U. T. M. D. Anderson Cancer Center: Center for Targeted Therapy Research Building (formerly U. T. Research Park Building 4) - Request for approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt</b>   | <i>1:22 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>107</b>  |
| 15. <b>U. T. Austin: Student Activity Center - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include the Phase I - Liberal Arts project; approval to increase total project cost; and approval to redesignate the project as Student Activity Center/Phase I - Liberal Arts</b>  | <i>1:26 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>110</b>  |
| <b>Adjourn</b>  | <i>1:30 p.m.</i>  |                      |             |

1. **U. T. System: Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include six projects with funding from Permanent University Fund Bond Proceeds**

- U. T. Arlington Center for Structural Engineering Research
- U. T. Arlington Fire and Life Safety Projects
- U. T. El Paso College of Health Sciences/School of Nursing
- U. T. San Antonio Fire and Life Safety Projects
- U. T. Health Science Center - Houston Fire and Life Safety Projects
- U. T. Health Science Center - San Antonio Fire and Life Safety Projects

**RECOMMENDATION**

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Spaniolo, President Natalicio, President Romo, President Cigarroa, and President Willerson that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include recommendations for six projects as set out in Table 1 on Page 84 and as set forth below:

- a. include two new construction projects for the Center for Structural Engineering Research at The University of Texas at Arlington and the College of Health Sciences/School of Nursing at The University of Texas at El Paso; and
- b. include the four repair and rehabilitation fire and life safety projects at The University of Texas at Arlington, The University of Texas San Antonio, The University of Texas Health Science Center at Houston, and The University of Texas Health Science Center at San Antonio; appropriate funds and authorize expenditure; and authorize institutional management.

**BACKGROUND INFORMATION**

On August 23, 2007, the U. T. System Board of Regents approved the allocation of \$177,200,000 of Permanent University Fund (PUF) Bond Proceeds for 13 capital projects. Six of these capital projects are being recommended at this time for inclusion in the FY 2008-2013 CIP with a total project cost of \$106,500,000 with \$87,500,000 allocated from PUF.

The total project cost of the four fire and life safety repair and rehabilitation projects is \$12,500,000 with funding from PUF. The four institutional Facilities Management personnel have the experience and capability to manage all aspects of the work.

PUF funding for the two new construction projects totals \$75,000,000. The approval of total project costs, design development plans, and appropriation of funding will be brought back to the Board at a later date.

These proposed off-cycle projects have been approved by U. T. System staff and meet the criteria for inclusion in the CIP.

## Projects to be included in CIP

(\$ in millions)

| Project Name   | Project Type     | TPC          | PUF             | Gifts          | Project Description  |
|--|------------------|--------------|-----------------|----------------|--|
| <b>UT Arlington</b><br>Center for Structural Engineering Research      | New construction | \$ 34.0      | \$ 25.0         | \$ 9.0         | Plans include three floors, basement, and penthouse of office space and reaction floor research space, totaling 84,500 sq. ft., constructed on donated land. This is one of the campus key research and industry collaboration areas. \$4 million is available in "in-kind" contributions toward the total cost.                   |
| Fire and Life Safety Projects  |                  | \$ 4.3       | \$ 4.3          |                |  |
| <b>UT El Paso</b><br>College of Health Sciences/School of Nursing      | New construction | \$ 60.0      | \$ 50.0         | \$ 10.0        | Health sciences complex located on or contiguous to the main campus & near major health facilities to house health-related programs & activities. Note: Would serve one of UTEP's and the region's fastest growing educational and employment areas. No other source of funding is available. Project is for Phase I construction. |
| <b>UT San Antonio</b><br>Fire and Life Safety Projects                 |                  | \$ 0.4       | \$ 0.4          |                |  |
| <b>Health Science Ctr Houston</b><br>Fire and Life Safety Projects     |                  | \$ 0.9       | \$ 0.9          |                |  |
| <b>Health Science Ctr San Antonio</b><br>Fire and Life Safety Projects |                  | \$ 6.9       | \$ 6.9          |                |  |
| <b>TOTAL PROJECTS</b>  |                  | <b>#####</b> | <b>\$ 87.50</b> | <b>\$ 19.0</b> |  |

### TOTAL: NET OF FIRE AND LIFE SAFETY

**\$ 12.50**

High priority projects include installation of fire alarms, fire sprinkler systems, fire pumps, smoke exhausts, and means of egress. Categories of buildings affected are medical facilities (patient care), high-rise buildings, large assembly occupancies, highly populated academic buildings with lecture auditoriums and large traffic flows, and laboratory or special hazard use buildings.

#### Recommendations:

1. Fire and Life Safety Projects to be institutionally managed
2. New construction to be brought back to the Board for design development approval at a later date

#### Investment Metrics:

UT Arlington Center for Structural Engineering Research: 1. Increase research funding - \$5.0 million by Year 5, \$10.0 million by Year 10, and \$10.0 to \$15.0 million in subsequent years. 2. Increase enrollment and number of graduates, currently 305 undergraduate civil engineering students; increase to 500 in Year 5. 3. Improve recruitment of highly regarded faculty, new research scientists, and raise national program ranking to top 25 in Year 7.

UT El Paso College of Health Sciences/School of Nursing: By the year 2015: 1. Increase external research funding in health sciences. 2. Enrollment in master's degree programs will more than double. 3. Enrollment in doctoral programs in the health professions will increase from 15 to 175. 4. Enrollment in each of the undergraduate nursing programs will increase by 30%. 5. The number of degrees awarded annually in health-related disciplines at all levels will increase by more than 50%. 6. Endowment funding in the College of Health Sciences and in the School of Nursing will double.

**2. U. T. Arlington: Parking Garage for South Campus - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project**

**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 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Parking Garage for South Campus project at The University of Texas at Arlington as follows:

**Project No.:** 301-372

**Project Delivery Method:** Design/Build

**Substantial Completion Date:** July 2009

|                            |  |                     |
|----------------------------|--|---------------------|
| <b>Total Project Cost:</b> | <u>Source</u>                          | <u>Proposed</u>     |
|                            | Revenue Financing System Bond Proceeds | \$10,867,000        |
|                            | Unexpended Plant Funds                 | <u>\$10,868,000</u> |
|                            |  | \$21,735,000        |

**Investment Metrics:**

- Facility replaces all student parking spaces lost due to construction/capital projects through 2010/2011
- Revenue will be sufficient to offset debt service and operating costs

**BACKGROUND INFORMATION**

The parking garage will include construction of a new five-story structure of approximately 434,760 gross square feet to accommodate 1,449 vehicles. The structure will be located at the intersection of South Cooper and West Mitchell Streets.

This garage will be used for general student parking as existing lots are removed for campus growth and the construction of facilities.

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

3. **U. T. Austin: Computer Sciences Building - Phase 2 - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project**

**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 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Computer Sciences Building - Phase 2 project at The University of Texas at Austin as follows:

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

**Substantial Completion Date:** March 2012

|                            |               |                 |
|----------------------------|---------------|-----------------|
| <b>Total Project Cost:</b> | <u>Source</u> | <u>Proposed</u> |
|                            | Gifts         | \$53,000,000    |

**Investment Metrics:**

- Will enhance Computer Sciences (CS) retention and recruitment efforts by 2012
- Will facilitate efforts to enhance the stature of the CS department by 2012
- Will provide desperately needed space for CS research labs, offices, classrooms, lecture halls, and social meeting/study spaces by 2012

**BACKGROUND INFORMATION**

The Department of Computer Sciences currently occupies space in portions of five different buildings scattered across the U. T. Austin campus. The Department's goal is to bring the entire Computer Sciences faculty together in a new building complex adjacent to the Applied Computational Engineering and Sciences (ACES) Building with laboratory, office, and classroom space.

The Department's 2005 endowment proposal identified over 230,000 gross square feet of space needed to meet current demand and projected growth. The Dell Computer Science Hall, previously approved by the U. T. System Board of Regents, will provide 133,000 gross square feet to meet this need. The proposed Computer Sciences Building project will provide 97,000 gross square feet for a second phase to provide the total amount of space necessary to meet the future needs of the Department.

The Department of Computer Sciences currently occupies approximately 60,000 gross square feet in T. U. Taylor Hall. This project may require that T. U. Taylor Hall be replaced to provide space to construct the Computer Sciences Building and achieve optimal utilization of the available land area.

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



**4. U. T. Austin: Houston Research Center Warehouse Addition - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; authorization of institutional management; and resolution regarding parity debt**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Houston Research Center Warehouse Addition project at The University of Texas at Austin as follows:

**Project No.:** 102-373  
**Institutional Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals  
**Substantial Completion Date:** December 2008  
**Total Project Cost:**

| <u>Source</u>                          | <u>Proposed</u> |
|--|-----------------|
| Revenue Financing System Bond Proceeds | \$1,500,000     |

- Investment Metrics:**
- House 200,000 additional geological research drilling core storage boxes by 2008/09
  - Increased research resource by 2008/09
- a. approve a total project cost of \$1,500,000 with funding from Revenue Financing System Bond Proceeds;
  - b. appropriate and authorize expenditure of funds;
  - c. authorize U. T. Austin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts; and
  - d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
    - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
    - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and

- U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$1,500,000.

## BACKGROUND INFORMATION

### Debt Service

The \$1,500,000 in Revenue Financing System debt will be repaid from interest on local funds. Annual debt service on the \$1,500,000 Revenue Financing System debt is expected to be \$155,000. The institution's debt service coverage is expected to be at least 1.7 times and average 2.0 times over FY 2008-2013.

### Project Description

The project will consist of a 26,000 square foot addition to an existing warehouse in Houston, Texas, for additional storage of geologic cores and cuttings used for research conducted by the Bureau of Economic Geology, a part of the John A. and Katherine G. Jackson School of Geosciences. The Bureau of Economic Geology recently received major donations of geologic core materials, which require immediate action to support storage and preservation of these valuable assets for future research activities.

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

5. **U. T. Austin: Indoor Tennis Facility at Whitaker Fields - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project**

## 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 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Indoor Tennis Facility at Whitaker Fields project at The University of Texas at Austin as follows:

**Project No.:** 102-371  
**Project Delivery Method:** Construction Manager at Risk

**Substantial Completion Date:** April 2010

|                            |                        |                                |
|----------------------------|------------------------|--------------------------------|
| <b>Total Project Cost:</b> | <u>Source</u><br>Gifts | <u>Proposed</u><br>\$8,000,000 |
|----------------------------|------------------------|--------------------------------|

- Investment Metrics:**
- Enclose 6 courts for use during inclement weather by 2010
  - Be able to host a NCAA event by 2010
  - Provide recreational opportunities for an additional 2400 students/faculty/staff

### BACKGROUND INFORMATION

The project will include construction of a new structure to enclose six tennis courts at Whitaker Fields located at 51st and Guadalupe Streets. The new structure will include courts, lighting and air conditioning, necessary circulation space, required restroom and dressing areas, a small lobby and spectator amenities, and necessary site work and parking modifications.

An indoor tennis facility will permit the varsity tennis teams to play and practice indoors in inclement weather. It will also enhance the ability to secure the right to host National Collegiate Athletic Association (NCAA) sanctioned championship events. The Department of Recreational Sports will use the facility for faculty, staff, and students.

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

6. **U. T. Austin: Renovation of E. P. Schoch Building - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**

### RECOMMENDATION

The Chancellor 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 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Renovation of E. P. Schoch Building project at The University of Texas at Austin as follows:

**Project No.:** 102-374  
**Project Delivery Method:** Construction Manager at Risk  
**Substantial Completion Date:** July 2009

|                            |  |                 |
|----------------------------|--|-----------------|
| <b>Total Project Cost:</b> | <u>Source</u>                          | <u>Proposed</u> |
|                            | Revenue Financing System Bond Proceeds | \$10,000,000    |

**Investment Metrics:**

- Will enhance retention and recruitment effort by 2009/10
- Will facilitate efforts to enhance the stature of the Jackson School of Geosciences by 2009/10
- Will provide needed space for research labs, faculty offices, and classrooms by 2009/10

- a. approve a total project cost of \$10,000,000 with funding from Revenue Financing System Bond Proceeds;
- b. appropriate and authorize expenditure of funds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
  - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
  - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. 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 \$10,000,000.

**BACKGROUND INFORMATION**

Debt Service

The \$10,000,000 in Revenue Financing System debt will be repaid from interest on local funds. Annual debt service on the \$10,000,000 Revenue Financing System debt is expected to be approximately \$772,000. The institution's debt service coverage is expected to be at least 1.7 times and average 2.0 times over FY 2008-2013.

Project Description

The John A. and Katherine G. Jackson School of Geosciences is experiencing a significant increase in the number of faculty positions to support the strategic plan

to place the School at the forefront of research, student services, and student opportunities. This project will include renovations of approximately 48,980 gross square feet to the interior of the existing E. P. Schoch Building.

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

**7. U. T. Southwestern Medical Center - Dallas: Biotechnology Development Complex - Phase I Finish Out - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; authorization of institutional management; and resolution regarding parity debt**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Wildenthal that the U. T. System Board of Regents amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Biotechnology Development Complex - Phase I Finish Out project at The University of Texas Southwestern Medical Center at Dallas as follows:

**Project No.:** 303-375  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals  
**Substantial Completion Date:** February 2010  
**Total Project Cost:**

|  |                 |
|--|-----------------|
| <u>Source</u>                          | <u>Proposed</u> |
| Revenue Financing System Bond Proceeds | \$13,500,000    |

**Investment Metrics:**

- Occupy/lease 1/3 of the space by 2010 with at least 1 biotech tenant
- Occupy/lease 2/3 of space by 2012 with biotech tenants numbering at least 2 or occupying 1/3 of space
- Occupy/lease all space by 2014 with biotech tenants numbering at least 4 or occupying 2/3 of space

- a. approve a total project cost of \$13,500,000 with funding from Revenue Financing System Bond Proceeds;
- b. appropriate and authorize expenditure of funds;
- c. authorize U. T. Southwestern Medical Center - Dallas to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts; 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. 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 \$13,500,000.

## BACKGROUND INFORMATION

### Debt Service

The \$13,500,000 in Revenue Financing System debt will be repaid from lease revenues. Annual debt service on the \$13,500,000 Revenue Financing System debt is expected to be approximately \$1,000,000. The institution's debt service coverage is expected to be at least 1.7 times and average 2.2 times over FY 2008-2013.

### Project Description

The interior modifications will finish out Levels 2 and 3 of the Biotechnology Development Complex - Phase 1. During the design of the Phase 1 building, it was determined that it would be better to remove the tenant improvement (TI) allowances and create a separate project to fully fund the finish out space as the tenants were identified. Funds for the finish out work will be accessed when leases are entered into with tenants. The work will include the finish-out of 58,500 rentable square feet as a mix of offices and laboratories (see Item 13 on Page 104).

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

**8. U. T. Health Science Center - Houston: Center for Clinical and Translational Science - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and authorization of institutional management**

**RECOMMENDATION**

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

**Project Delivery Method:** Competitive Sealed Proposals

**Institutional Managed:** Yes  No

**Substantial Completion Date:** February 2008

|                            |                               |                 |
|----------------------------|-------------------------------|-----------------|
| <b>Total Project Cost:</b> | <u>Source</u>                 | <u>Proposed</u> |
|                            | Auxiliary Enterprise Balances | \$2,800,000     |

- Investment Metrics:**
- Clinical and translation researchers under the auspices of the CCTS. Postdoctoral and junior faculty – 12-14 per year by the 4th quarter 2008; predoctoral – 15-20 per year
  - Number of clinical researchers (faculty, staff and trainees housed) within the CCTS – 40 by 4th quarter 2008
  - Number of clinical and translational research projects supported by the components of the CCTS – 150 by 2009
  - Annual growth rate in total sponsored research funding for clinical and translational research – 5% per year

- a. approve a total project cost of \$2,800,000 with funding from Auxiliary Enterprise Balances;
- b. appropriate and authorize expenditure of funds; and
- c. authorize U. T. Health Science Center - Houston to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

## BACKGROUND INFORMATION

The CCTS is the result of a \$36 million grant from National Institutes of Health (NIH) designed to spur research innovation so new treatments can be developed more efficiently and delivered more quickly to patients. The CCTS at U. T. Health Science Center - Houston is one of the first such centers in the nation and the only one in Texas. The Center will have participation from U. T. M. D. Anderson Cancer Center, the U. T. Public Health School at the Brownsville Regional Campus, and Memorial Hermann Healthcare System as collaborative partners in this research program.

The CCTS will occupy the eleventh floor of the U. T. Professional Building, which is approximately 18,000 gross square feet. This project is for the CCTS renovations as well as associated renovations needed on other floors to create the contiguous space on the eleventh floor. The space will house offices and meeting spaces to accommodate a think-tank type of environment for the various departments and visiting scientists that will inhabit the CCTS.

This proposed off-cycle repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. It has been determined that U. T. Health Science Center - Houston Facility Management personnel have the experience and capability to manage all aspects of the work.

9. **U. T. Arlington: Civil Engineering Laboratory Building - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt**

## RECOMMENDATION

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

|                                     |   |                |                 |
|-------------------------------------|---|----------------|-----------------|
| <b>Project No.:</b>                 | 301-347   |                |                 |
| <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 2008   |                |                 |
| <b>Total Project Cost:</b>          | <u>Source</u>   | <u>Current</u> | <u>Proposed</u> |
|                                     | Revenue Financing System Bond Proceeds                              | \$5,400,000    | \$9,800,000     |



**Investment Metrics:**

- Increased enrollment and graduation rates in Civil and Environmental Engineering
  - Undergraduate enrollment will grow from 280 to over 400 by Year 5
  - Graduate student enrollment will increase from 206 to over 300 students by Year 5
  - Increase research funding by \$1.0 million annually by Year 5, \$2.0 million annually by Year 10, and \$3.0 million annually thereafter
  - 3 to 5 additional tenure-track faculty lines as well as new graduate and undergraduate assistants
  - Assist U. T. Arlington Civil Engineering in attaining top 25 ranking in 10 years
- a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to increase the total project cost from \$5,400,000 to \$9,800,000 with funding from Revenue Financing System Bond Proceeds;
- b. approve design development plans;
- c. appropriate 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. Arlington, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$9,800,000.

## BACKGROUND INFORMATION

### Debt Service

The \$9,800,000 in Revenue Financing System debt will be repaid from institutional funds. Annual debt service on the \$9,800,000 in Revenue Financing System debt is expected to be approximately \$724,000. The institution's debt service coverage is expected to be at least 2.3 times and average 2.8 times over FY 2008-2013.

### Previous Board Action

On August 23, 2007, the project was included in the CIP with a total project cost of \$5,400,000 with funding from Revenue Financing System Bond Proceeds.

### Project Description

The institutionally managed project will construct a new building of approximately 25,000 gross square feet with an exterior material storage area for the College of Engineering. The building will provide much needed additional space to meet increasing demands for research space. The new space will provide faculty and student offices, conference rooms, and laboratories. Research labs will be relocated from the existing Engineering Lab Building to provide for growth expansion in these specific research labs, thus freeing up space in the existing Engineering Lab Building. The original project cost was based on an early programming estimate prior to a full understanding of project scope and programmed spaces to define individual research laboratory needs.

Exterior construction for the new building will be metal and will blend with the surrounding buildings. Energy efficient lighting and separate mechanical systems will be incorporated. The new space will be used to provide growth expansion for the following laboratories within the Department of Civil and Environmental Engineering of the College of Engineering: asphalt, environmental, construction, transportation, geotechnical, and material/structures.

### Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 25-40 years
- Building Systems: 15-20 years
- Interior Construction: 10-20 years

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

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

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

10. **U. T. Austin: Library and Artifact High-Density Repository (formerly Library Storage Facility) - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; and approval of evaluation of alternative energy economic feasibility**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents approve the recommendations for the Library and Artifact High-Density Repository (formerly Library Storage Facility) project at The University of Texas at Austin as follows:

**Project No.:** 102-016  
**Project Delivery Method:** Construction Manager at Risk  
**Substantial Completion Date:** March 2009

|                            |                        |                |                    |
|----------------------------|------------------------|----------------|--------------------|
| <b>Total Project Cost:</b> | <u>Source</u>          | <u>Current</u> | <u>Proposed</u>    |
|                            | Designated Funds       | \$4,800,000    | \$5,875,000        |
|                            | Unexpended Plant Funds |                | <u>\$1,250,000</u> |
|                            |                        |                | \$7,125,000        |

**Investment Metrics:**

- Essential component of the U. T. Austin Libraries collections program to provide long-term storage and preservation for approximately 1.6 million print volumes. Current staff at Collection Deposit Library (CDL) (2) will move to Pickle Research Center. No new FTE. By 2009/10.
  - By placing needed, but lesser-used, scholarly materials in high-density storage, campus libraries will not require expanded space and can, in fact, relinquish space to be used for more critical U. T. Austin campus needs. Will facilitate vacating + 60,000 square feet at CDL. By 2010/11.
  - An agreement with The Texas A&M University System to partner in this project assures that volumes held in storage will be considered as “resources in common” and will prevent the storage of duplicate items, thus maximizing the use of the high-density shelving. By 2009/10.
- a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to increase the total project cost from \$4,800,000 to \$7,125,000;
  - b. approve design development plans;
  - c. appropriate and authorize expenditure of funds of \$5,875,000 from Designated Funds and \$1,250,000 from Unexpended Plant Funds; and
  - d. approve the evaluation of alternative energy economic feasibility.

**BACKGROUND INFORMATION**

**Previous Board Actions**

On August 12, 1999, the project was included in the CIP with a total project cost of \$4,300,000 with funding of \$3,800,000 from Designated Funds and \$500,000 from Permanent University Fund (PUF) Bond Proceeds. On August 9, 2001, the Board approved design development plans and increased the total project cost to \$4,800,000 with funding from Designated Funds. On February 13, 2006, the Associate Vice Chancellor for Facilities Planning and Construction approved the nonhonorific renaming of the facility to the Library and Artifact High-Density Repository.

**Project Description**

The project consists of 12,882 gross square feet to provide a new temperature and humidity controlled high-density storage building and support area to double the amount of storage available at the Library Storage Facility on the J. J. Pickle Research Campus and to provide a public service area for visitors to conduct research using materials

located at the site. The proposed increase in total project cost is to revise the original design development approval in 2001, and includes the complete finish-out of the facility.

The existing facility houses some components of the Texas Memorial Museum and the Institute for Geophysics and is currently filled to capacity. Because acquisition of new information resources in paper will continue, and on-campus library space will most likely not increase, the need for additional off-site storage will only increase.

### Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 40-50 years
- Building Systems: 15-20 years
- Interior Construction: 40-50 years

The exterior appearance and finish are consistent with high-end commercial facilities. 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 include open, flexible space with support areas.

*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 addition to an existing building. Therefore, the Project Architect prepared an evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

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

11. **U. T. Austin: San Antonio Garage Additional Parking Levels (formerly Nueces Garage) - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to increase the total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt**

### RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the

U. T. System Board of Regents approve the recommendations for the San Antonio Garage Additional Parking Levels project at The University of Texas at Austin as follows:

**Project No.:** 102-246

**Project Delivery Method:** Design-Build

**Substantial Completion Date:** April 2009

|                            |  |                |                 |
|----------------------------|--|----------------|-----------------|
| <b>Total Project Cost:</b> | <u>Source</u>                          | <u>Current</u> | <u>Proposed</u> |
|                            | Revenue Financing System Bond Proceeds | \$8,500,000    | \$8,800,000     |

**Investment Metrics:**

- Continues to be a self-sustaining facility by 2009
  - Reduces the number of people on the waiting list for that garage by 2009
  - Able to adequately offer more resident parking for the students living in the recently built Almetris Duren Residence Hall
  - Continues to fulfill the Campus Master Plan of having visitor parking directed toward the perimeter of campus by 2009
  - Increase the capacity of the current parking garage by two levels and 315 parking spaces for a total of 1,040 spaces by 2009
  - Increase revenues by over \$700,000 annually by 2009
- a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to increase the total project cost from \$8,500,000 to \$8,800,000;
  - b. approve design development plans;
  - c. appropriate 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. 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 \$8,800,000.

## BACKGROUND INFORMATION

### Debt Service

The \$8,800,000 in Revenue Financing System debt will be repaid from parking revenues. Annual debt service on the \$8,800,000 in Revenue Financing System debt is expected to be approximately \$625,000. The project's debt service coverage is expected to be at least 1.3 times and average 1.3 times over FY 2010-2015.

### Previous Board Action

On May 11, 2006, the Nueces Garage was redesignated as the San Antonio Garage Additional Parking Levels project and included in the CIP with a total project cost of \$8,500,000 with funding from Revenue Financing System Bond Proceeds.

### Project Description

The San Antonio Garage located at 25th and San Antonio Street was originally constructed in 1992. The existing parking structure comprises four supported levels and one grade level and provides parking for 725 vehicles. The exterior facade is brick clad with capstones at the top of the spandrel walls. The structure was engineered to accommodate this expansion. The proposed project is to add two floors and 315 spaces to the existing parking garage while maintaining the same exterior appearance. The completed project will provide 1,040 parking spaces. U. T. Austin requested the increase to the total project cost to include the funding of capitalized interest.

### Basis of Design

The planned garage life expectancy includes the following elements:

- Enclosure: 50-60 years
- Building Systems: 25-30 years
- Interior Construction: 25-30 years

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

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.

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

12. **U. T. Dallas: Student Housing Living/Learning Center - Request for approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents approve the recommendations for the Student Housing Living/Learning Center project at The University of Texas at Dallas as follows:

|  |  |               |                |  |              |
|--|--|---------------|----------------|--|--------------|
| <b>Project No.:</b>                    | 302-325  |               |                |  |              |
| <b>Project Delivery Method:</b>        | Construction Manager at Risk   |               |                |  |              |
| <b>Substantial Completion Date:</b>    | May 2009   |               |                |  |              |
| <b>Total Project Cost:</b>             | <table><tr><td><u>Source</u></td><td><u>Current</u></td></tr><tr><td>Revenue Financing System Bond Proceeds</td><td>\$37,800,000</td></tr></table> | <u>Source</u> | <u>Current</u> | Revenue Financing System Bond Proceeds | \$37,800,000 |
| <u>Source</u>                          | <u>Current</u>   |               |                |  |              |
| Revenue Financing System Bond Proceeds | \$37,800,000   |               |                |  |              |

**Investment Metrics:**

- On-campus housing and food service capacity for 400 students

- a. approve design development plans;
- b. appropriate and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
  - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;



- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. 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 \$37,800,000.

### BACKGROUND INFORMATION

#### Debt Service

The \$37,800,000 in Revenue Financing System debt will be repaid from rental income. Annual debt service on the \$37,800,000 Revenue Financing System debt is expected to be approximately \$2,800,000. The project's debt service coverage is expected to reach 1.3 times in FY 2014. The institution expects to use Unexpended Fund Balances to retire a portion of the short-term financing before the project is permanently financed with bonds in approximately FY 2010.

#### Previous Board Action

On November 16, 2006, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$37,800,000 with funding from Revenue Financing System Bond Proceeds.

#### Project Description

The project will consist of 404 student beds with amenities such as a recreation/lounge area with kitchen, study rooms, mail room, laundry room, and an outdoor basketball court. Complimenting the student housing building is a separate 550 person capacity food service facility connected to the existing student union. The expanded food service facility provides a lounge area, separated faculty dining/university reception room with pre-function lobby, and exterior courtyard. Current facilities are operating at close to 100% occupancy with 200 students on the waiting list.

## Basis of Design

The planned student housing and food service facility life expectancy includes the following elements:

- Enclosure: 25-35 years
- Building Systems: 25-35 years
- Interior Construction: 15-25 years

The exterior appearance and finish are consistent with high-end commercial facilities and with the existing Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish include open, flexible space with support areas.

*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.

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

13. **U. T. Southwestern Medical Center - Dallas: Biotechnology Development Complex - Phase I - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to decrease the total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt**

## RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Wildenthal that the U. T. System Board of Regents approve the recommendations for the Biotechnology Development Complex - Phase I project at The University of Texas Southwestern Medical Center at Dallas as follows:

**Project No.:** 303-375  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals

**Substantial Completion Date:** February 2010

|                            |  |                |                 |
|----------------------------|--|----------------|-----------------|
| <b>Total Project Cost:</b> | <u>Source</u>                          | <u>Current</u> | <u>Proposed</u> |
|                            | Revenue Financing System Bond Proceeds | \$46,100,000   | \$39,700,000    |

**Investment Metrics:**

- Occupy/lease 1/3 of the space by 2010 with at least 1 biotech tenant
  - Occupy/lease 2/3 of space by 2012 with biotech tenants numbering at least 2 or occupying 1/3 of space
  - Occupy/lease all space by 2014 with biotech tenants numbering at least 4 or occupying 2/3 of space
- a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to decrease the total project cost from \$46,100,000 to \$39,700,000;
  - b. approve design development plans;
  - c. appropriate 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 \$39,700,000.

## BACKGROUND INFORMATION

### Debt Service

The \$39,700,000 in Revenue Financing System debt will be repaid from lease revenues. Annual debt service on the \$39,700,000 in Revenue Financing System debt is expected to be approximately \$3,000,000. The institution's debt service coverage is expected to be at least 1.7 times and average 2.2 times over FY 2008-2013.

### Previous Board Action

On August 10, 2006, the project was included in the CIP with a total project cost of \$46,100,000 with funding from Revenue Financing System Bond Proceeds.

### Project Description

The project consists of a three-story building with 110,000 gross square feet to accommodate biomedical research and commercial development and marketing of U. T. Southwestern Medical Center - Dallas. Space would be leased to biotechnology companies that would have a symbiotic relationship with U. T. Southwestern Medical Center - Dallas. The project includes the building shell and core, site utilities, parking, and driveways. Only one floor of finish out work is included in this project. The remaining construction of two floors will be completed in a subsequent project. The project would also include the demolition of an existing garage and warehouse structures left on the site after the property was purchased from the City of Dallas.

The original total project cost included tenant improvement (TI) allowances and a TI allowance reserve. During the design of the project, it was determined that the total project cost should be reduced by removing the TI allowances and requesting a separate project to finish out Levels 2 and 3 as tenants are identified (see Item 7 on Page 91).

### Basis of Design

The planned life expectancy includes the following elements:

- Enclosure: 25-40 years
- Building Systems: 15-20 years
- Interior Construction: 10-20 years

The exterior appearance and finish are consistent with existing high-end commercial biomedical research facilities and with the existing Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish are consistent with existing high-end commercial biomedical research facilities.

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

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

**14. U. T. M. D. Anderson Cancer Center: Center for Targeted Therapy Research Building (formerly U. T. Research Park Building 4) - Request for approval of design development; appropriation of funds and authorization of expenditure; approval of evaluation of alternative energy economic feasibility; and resolution regarding parity debt**

**RECOMMENDATION**

The Chancellor 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 Center for Targeted Therapy Research Building (formerly U. T. Research Park Building 4) project at The University of Texas M. D. Anderson Cancer Center as follows:

**Project No.:** 703-328  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Construction Manager at Risk  
**Substantial Completion Date:** August 2010

|                            |   |                     |
|----------------------------|---|---------------------|
| <b>Total Project Cost:</b> | <u>Source</u>                           | <u>Current</u>      |
|                            | Tuition Revenue Bond Proceeds           | \$40,000,000        |
|                            | Permanent University Fund Bond Proceeds | \$30,000,000        |
|                            | Hospital Revenues                       | <u>\$25,400,000</u> |
|                            |   | \$95,400,000        |

- Investment Metrics:**
- House 50 principal investigators by 2011
  - 45% growth in graduate students by 2015
  - 50% growth in new extramural research funding by 2015
  - Establish RNAi Molecular Biology Screening Program by 2011

- a. approve design development plans;
- b. appropriate and authorize expenditure of funds;
- c. approve the evaluation of alternative energy economic feasibility; and

- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
- parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
  - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
  - U. T. M. D. Anderson Cancer Center, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$40,000,000.

## BACKGROUND INFORMATION

### Debt Service

The 79th Legislature authorized \$40,000,000 of Tuition Revenue Bonds for a center for targeted therapy research building. While the debt service is payable from pledged revenues, it is expected that the State will reimburse debt service on Tuition Revenue Bonds through general revenue appropriations.

### Previous Board Actions

On August 11, 2005, the project was included in the Capital Improvement Program (CIP) as the U. T. Research Park Building 4 with a total project cost of \$70,000,000 with funding of \$10,000,000 from Hospital Revenues, \$25,000,000 from Gifts, and \$35,000,000 from Revenue Financing System Bond Proceeds. On June 27, 2006, the project was redesignated as the Center for Targeted Therapy Research Building by the Associate Vice Chancellor for Facilities Planning and Construction. On August 10, 2006, the Board approved the funding source revision to \$40,000,000 from Tuition Revenue Bond Proceeds and \$30,000,000 from Permanent University Fund (PUF) Bond Proceeds. With the adoption of the FY 2008-2013 CIP, the total project cost was increased to \$95,400,000 with funding of \$40,000,000 from Tuition Revenue Bond Proceeds, \$30,000,000 from PUF Bond Proceeds, and \$25,400,000 from Hospital Revenues.

## Project Description

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. The institutionally managed projects are subject to review by the Board of Regents for design development.

The new six-story facility will contain approximately 210,000 gross square feet. The building will house the laboratories and offices of the Department of Experimental Therapeutics including support areas such as cold rooms, dark rooms, and equipment rooms as well as the existing Pharmaceutical Development Center, a melanoma core laboratory, wet laboratories for biomedical engineering, a research medical library satellite, a distance learning center, and a support office complex for the Office of Technology Commercialization, Grants and Contracts, and Legal Services for activities related to intellectual properties and patent review.

The Center for Targeted Therapy will develop and facilitate more effective collaboration and sharing of knowledge with health care providers, extramural researchers, academic institutions, and industry and organizations involved in early cancer detection and treatment. This facility is part of a three-building parcel and provides continuity between adjacent facilities.

## Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 45-50 years
- Building Systems: 15-20 years
- Interior Construction: 10-20 years

The exterior appearance and finish are consistent with high-end commercial facilities and with the existing Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish include open, flexible space with support areas.

*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.

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

**15. U. T. Austin: Student Activity Center - Amendment of the FY 2008-2013 Capital Improvement Program and the FY 2008-2009 Capital Budget to include the Phase I - Liberal Arts project; approval to increase total project cost; and approval to redesignate the project as Student Activity Center/Phase I - Liberal Arts**

**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 Student Activity Center project at The University of Texas at Austin as follows:

**Project No.:** 102-248

**Architecturally or Historically Significant:** Yes  No

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

**Substantial Completion Date:** September 2010

|                            |  |                |                 |
|----------------------------|--|----------------|-----------------|
| <b>Total Project Cost:</b> | <u>Source</u>                          | <u>Current</u> | <u>Proposed</u> |
|                            | Revenue Financing System Bond Proceeds | \$44,000,000   | \$69,400,000    |

- Investment Metrics:**
- Increase study and lounge space for students in the core of campus, some of which will be open very late by 2010
  - Add much needed meeting rooms of various sizes primarily reserved for student groups by 2010
  - Add 40,000 square feet for a Liberal Arts component that will vacate a nearby building for other uses by 2010

- a. amend the FY 2008-2013 Capital Improvement Program (CIP) and the FY 2008-2009 Capital Budget to include the Phase I - Liberal Arts project;
- b. approve a total project cost of \$69,400,000 with funding from Revenue Financing System Bond Proceeds; and
- c. redesignate the project as Student Activity Center/Phase I - Liberal Arts.



## BACKGROUND INFORMATION

### Previous Board Actions

On May 10, 2006, the project was included in the CIP with a total project cost of \$44,000,000 with funding from Revenue Financing System Bond Proceeds. The Board also designated the project as architecturally significant.

### Project Description

The site for the Student Activity Center project, Parking Lot F11, is the last large interior building site on U. T. Austin's main campus. The significance and location of this site demand optimal utilization of the available land area. A comprehensive site analysis conducted by Overland Partners Architects for the Student Activity Center shows 356,000 gross square feet of building space can be accommodated within a building mass that meets the intent of the Campus Master Plan. The 108,000 gross square feet proposed for the Student Activity Center would not optimize the available site. Considering this, other occupants for the phased development of the site are proposed.

The site would be ideal for consolidating Social Science programs within the College of Liberal Arts, the largest undergraduate college on campus. The Social Science programs would complement and provide infrastructure for the Student Activity Center. Relocating these programs would also create expansion opportunities for other programs. The Student Activity Center, as a first phase of development, is much smaller than the preferred building mass for this site. Therefore, the proposed 40,000 gross square foot Phase I - Liberal Arts component is being recommended to be added to the project at this time.

The John A. and Katherine G. Jackson School of Geosciences is in need of additional space to support expansion within the school's programs and has funding available for this purpose. U. T. Austin has determined that the E. P. Schoch Building, located adjacent to the John A. and Katherine G. Jackson Geological Sciences Building, could provide much needed space if the current occupants from the College of Liberal Arts were relocated. An agreement was reached whereby the School of Geosciences will fund the additional square footage within the Student Activity Center/Phase I - Liberal Arts project in return for the use of the E. P. Schoch Building (see Item 6 on Page 89).

This proposed funding increase is for the first stage of the project, Student Activity Center/Phase I - Liberal Arts. The comprehensive site analysis also included building massing options for a future Phase II 208,000 gross square foot Liberal Arts Building at an estimated cost of \$100,000,000. Phase II - Liberal Arts will be developed and submitted for approval as funds become available.