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FOR
FACILITIES PLANNING AND CONSTRUCTION COMMITTEE**

Committee Meeting: 2/5/2014

Board Meeting: 2/6/2014
Austin, Texas

Alex M. Cranberg, Chairman
Ernest Aliseda
R. Steven Hicks
Wm. Eugene Powell
Robert L. Stillwell

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10. U. T. Dallas: Campus Landscape Enhancement Project Phase II - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; and appropriation of funds (Final Board approval)	3:15 p.m. Action <i>Mr. Dixon</i>	Action	287
11. U. T. El Paso: Campus Transformation Project - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)	3:20 p.m. Action <i>Mr. Dixon</i>	Action	289
Adjourn	3:30 p.m.		

1. **U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, referred for Committee consideration**

RECOMMENDATION

The proposed Consent Agenda is located at the back of the book.

2. U. T. System: Update on Space Utilization Efficiency

REPORT

Mr. Stephen Harris, Director of Facilities Space Initiatives, will provide an update on space utilization trends at the U. T. System institutions based on certified data from the Texas Higher Education Coordinating Board for Fall 2013. This update will compare current data to data reviewed with the Facilities Planning and Construction Committee in February 2013. These continuing efforts related to space utilization support the Framework for Advancing Excellence throughout The University of Texas System: Action Plan, with a focus on Productivity and Efficiency, which charges institutional leadership to “develop criteria to assess and improve academic, research, and administrative space utilization and strategies, including productivity indices, and review of space utilization policies.”

In addition, endeavors are proposed to integrate with the U. T. System Task Force on Academic and Facility Planning for the 21st Century, which will also address higher education space planning and evolving student needs as well as a review of anticipated near-term construction cost increases and the benefits of alternate project delivery methods, especially public-private partnerships.

3. U. T. Austin: Texas Advanced Computing Center Office Building - Amendment of the FY 2014-2019 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 Powers that the U. T. System Board of Regents amend the FY 2014-2019 Capital Improvement Program (CIP) to include the Texas Advanced Computing Center Office Building project at U. T. Austin as follows:

Project No.:	102-831	
Project Delivery Method:	Design-Build	
Substantial Completion Date:	March 2016	
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Permanent University Fund Bond Proceeds	\$10,000,000
	Gifts	<u>\$10,000,000</u>
		\$20,000,000
Investment Metrics:	<ul style="list-style-type: none"> • Increase staff to 150 with additional space for visiting researchers • Provide for 1,500 square foot Visualization Lab on the J. J. Pickle Research Campus 	

BACKGROUND INFORMATION

The Texas Advanced Computing Center (TACC), located on the J. J. Pickle Research Campus, serves as a resource and service to the research and educational capabilities of U. T. Austin, U. T. System, and the nation through National Science Foundation funding. TACC conducts research in the field of advanced computing while conducting outreach to increase the awareness of the importance of advanced computing and computational science.

This TACC Office Building will consist of an approximately 39,000 gross square feet (GSF) three-story, freestanding building connected to the existing offices within the Research Office Complex Building by way of an enclosed, pedestrian walkway. The building will consist of a public first-level housing an open lobby/gathering space, reception area, 1,500 GSF visualization lab (an environment of large flat panel monitors offering an extremely high level of detail and quality for scientists to visualize and analyze data), an auditorium for 150, flexible training room for 50, large reconfigurable conference room, and break room/catering kitchen to be shared by TACC staff and public users. In addition to these public access spaces, the first level will also house a large storage room for TACC and required mechanical and electrical spaces. The two upper levels will consist of private office spaces for TACC. Each level will provide a minimum of 30 offices, a conference room for 16, an open student work area, and necessary support spaces.

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.

4. U. T. Austin: Townes Hall HVAC Renovation - Amendment of the FY 2014-2019 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents amend the FY 2014-2019 Capital Improvement Program (CIP) to include the Townes Hall HVAC Renovation project at U. T. Austin as follows:

Project No.:	102-821	
Institutionally Managed:	Yes	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	August 2016	
Total Project Cost:	<u>Source</u> Designated Funds ¹	<u>Proposed</u> \$10,000,000
Funding Note:	¹ Designated Funds from Designated Tuition	

- a. approve a total project cost of \$10,000,000 with funding from Designated Funds;
- 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

The heating, ventilation and air conditioning (HVAC) systems and significant portions of the electrical infrastructure in Townes Hall are in excess of 30 years old and are inefficient by current energy standards. This project will replace air handling units, chilled water pumps, general exhaust fans, building electrical switchgear, electrical distribution panes, emergency system panels, and electrical grounding systems. The HVAC and electrical infrastructure investments will ensure a high level of system reliability for the building. This project will be executed in three phases in the summer of 2014, 2015, and 2016.

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 presented to the President for approval at a later date. It has been determined that this project would best be managed by U. T. Austin Facility Management personnel, who have the experience and capability to manage all aspects of the work, as the project requires extensive coordination with the building occupants.

5. U. T. Dallas: Campus Upgrades and Renovations - Amendment of the FY 2014-2019 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; authorization of institutional management; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents amend the FY 2014-2019 Capital Improvement Program (CIP) to include the Campus Upgrades and Renovations project at U. T. Dallas as follows:

Project No.:	302-828	
Institutionally Managed:	Yes	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	August 2016	
Total Project Cost:	<u>Source</u> Revenue Financing System Bond Proceeds ¹	<u>Proposed</u> \$8,000,000

Funding Note: ¹ Revenue Financing System debt proposed to be repaid from Designated Tuition

- a. approve a total project cost of \$8,000,000 with funding from Revenue Financing System Bond Proceeds;
- b. appropriate funds;
- c. authorize U. T. Dallas to manage the 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. 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 \$8,000,000.

BACKGROUND INFORMATION

Debt Service

The \$8,000,000 in aggregate Revenue Financing System debt will be repaid from Designated Tuition. Annual debt service on the \$8,000,000 Revenue Financing System debt is expected to be \$520,000. The institution's debt service coverage is expected to be at least 2.4 times and average 2.8 times over FY 2014-2019.

Project Description

This project will convert and update existing space into modern, fully-functional modular laboratories, as well as offices and support spaces. The renovations will be predominantly in the Lloyd V. Berkner Hall, North/South Engineering and Computer Science Buildings, and Founders Building. This project will also provide repairs and improvements to campus infrastructure including the Central Energy Plant, Satellite Utility Plant, and campus hardscape.

This project is needed to support technology improvements in various research facilities that require more robust building infrastructure to support advanced equipment. The modular configuration of spaces will allow for ease of modification in the future.

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 U. T. Dallas Facility Management personnel who have the experience and capability to manage all aspects of the work.

6. U. T. Southwestern Medical Center: Radiation Therapy Building - Amendment of the FY 2014-2019 Capital Improvement Program to include project (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Podolsky that the U. T. System Board of Regents amend the FY 2014-2019 Capital Improvement Program (CIP) to include the Radiation Therapy Building project at U. T. Southwestern Medical Center as follows:

Project No.:	303-829	
Institutionally Managed:	Yes	
Project Delivery Method:	Design-Build	
Substantial Completion Date:	March 2016	
Total Project Cost	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$40,000,000
	Hospital Revenues	\$12,000,000
		\$52,000,000
Funding Note:	¹ Revenue Financing System debt proposed to be repaid from Hospital Revenues	
Investment Metrics:	<ul style="list-style-type: none"> • Educate the next generation of leaders in patient care, biomedical science, and disease prevention • Conduct high-impact, internationally recognized research • Create clinical expansion necessary to keep pace with growing patient volume 	

BACKGROUND INFORMATION

In FY 2013, the U. T. Southwestern Medical Center Department of Radiation Oncology grew to over 40,000 radiation treatments, with more than a 9% annual growth rate from FY 2008 to FY 2013. The consistently increasing patient volume and expanding research opportunities have presented challenges to patients, faculty, and staff. Construction of the proposed Radiation Therapy Building will allow the Department to expand clinical operations and will be the first phase of a consolidation of services, allowing the Department to reduce sites from four to three. Later phases will include expansion of the Radiation Oncology Building and potential construction of a heavy ion particle-based research center.

A potential site for the Radiation Therapy Building has been identified, and current plans are to bring the land acquisition to the Board for approval in May 2014. The proposed site will allow the University to move forward with the West Campus Master Plan as the Radiation Oncology Department will vacate one of the buildings planned for demolition on the West Campus.

The project will include an approximately 63,000 gross square feet building with seven conventional linear accelerators for radiation treatment for patients. The building will also include clinical space for appointments and consultations, as well as support space for academic faculty offices, training and meeting rooms, and other clinic functions.

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. It has been determined that this project would best be managed by U. T. Southwestern Medical Center Facilities Management personnel who have the experience and capability to manage all aspects of the work.

7. U. T. Austin: Dell Medical School - Phase I - Amendment of the FY 2014-2019 Capital Improvement Program to revise 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 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 Medical School - Phase I project at U. T. Austin as follows:

Project No.: 102-772
Project Delivery Method: Construction Manager-at-Risk
Substantial Completion Date: June 2016

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$334,500,000	\$334,000,000
	Available University Fund	\$ 0	\$ 250,000
	Unexpended Plant Funds ²	<u>\$ 0</u>	<u>\$ 250,000</u>
		\$334,500,000	\$334,500,000

Funding Notes:

¹ Revenue Financing System debt proposed to be repaid from office space rentals, parking revenues, and funds provided by the Available University Fund

² Unexpended Plant Funds from balances from Frank C. Erwin, Jr. Special Events Center operations

Investment Metrics:

- Incoming cohort of 50 medical students and total of 200 enrollment
- Incoming cohort of 25 Ph.D. students with total of 125 enrollment
- 175 residents increases to 350 residents over 10 years

- a. amend the FY 2014-2019 Capital Improvement Program to revise the funding to \$334,000,000 from Revenue Financing System (RFS) Bond Proceeds, \$250,000 from Available University Fund (AUF), and \$250,000 from Unexpended Plant Funds;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of \$334,500,000 with funding of \$334,000,000 from RFS Bond Proceeds, \$250,000 from the AUF, and \$250,000 from Unexpended Plant Funds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
 - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;

- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
- U. T. 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 \$334,000,000.

BACKGROUND INFORMATION

Debt Service

The \$334,000,000 in aggregate RFS debt will be repaid from office space rentals, parking revenues, and funds provided by the AUF. Annual debt service on the \$334,000,000 RFS debt is expected to be \$22.5 million. The debt service coverage for the institution is expected to be at least 1.9 times and average 2.0 times over FY 2014-2019.

Previous Board Action

On May 9, 2013, the project was included in the CIP with a total project cost of \$334,500,000 with funding from RFS Bond Proceeds.

Project Description

U. T. Austin seeks to construct the Dell Medical School - Phase 1 project to support the University's goal to create an internationally recognized medical school for high quality education, research, and health care, with accommodation for long-term growth. The new doctoral degree program in Medicine at the University, for which expansion of preliminary planning authority was approved by the Board on February 14, 2013, will educate physicians to be skilled clinicians, biomedical scientists, professional leaders, and innovators in the ongoing transformation of the health care system in Texas and nationally.

In addition to building a faculty dedicated to medicine, the program will draw on the University's existing teaching and research strengths in natural sciences, engineering, and relevant fields in the social sciences and humanities. The program in Medicine also will draw on the University's well-regarded programs in nursing, pharmacy, and social work to educate new physicians in interprofessional team settings that prepare them to function effectively in the health care system of the future, to provide acute and complex care safely and efficiently, and to maintain and improve the health of individuals in the community.

The Dell Medical School - Phase 1 project will be located in a new campus medical district of approximately 40 acres, bounded by Martin Luther King, Jr. Boulevard, Interstate Highway 35, 15th Street, and Trinity Street. The potential location for this district was identified in the U. T. Austin Campus Master Plan and was subsequently confirmed in the recent Medical District Master Plan. Of significance is the immediate adjacency of the proposed medical district to the

existing University Medical Center Brackenridge, specifically because of the substantial investment in facilities in the Medical Center, which will continue to serve the new teaching hospital. The phased development of the medical district is being outlined in the master plan effort. There is additional room for future expansion of the district, when needed, into an adjacent, approximately 17 acres of the Central Campus, north of Martin Luther King, Jr. Boulevard.

This first phase of development will involve the construction of approximately 578,000 gross square feet (GSF) of new University buildings, including an Education and Administration Building, Research Building, and Medical Office Building 1. Additionally, Parking Garage 1 is targeted to house approximately 1,120 cars. The Education and Administration Building will also include approximately 8,000 GSF of renovation to the School of Nursing Building to accommodate simulation laboratory space to serve the entire medical district.

A 480,000 GSF teaching hospital will be concurrently constructed by Seton Healthcare in coordination with Central Health. The teaching hospital is not included as part of this project since it will not be constructed or financed by U. T. Austin.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 25-30 years
- Building Systems: 25-30 years
- Interior Construction: 10-20 years

The interior and exterior appearance and finish are consistent with other 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 similar types of medical schools.

8. U. T. Tyler: College of Pharmacy Building - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; approval to revise 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 Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Mabry that the U. T. System Board of Regents approve the recommendations for the College of Pharmacy Building project at U. T. Tyler as follows:

Project No.: 802-779

Project Delivery Method: Construction Manager-at-Risk

Substantial Completion Date: May 2015

Total Project Cost:	<u>Source:</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond	\$22,500,000	\$22,500,000
	Proceeds ¹	\$ 0	\$ 4,000,000
	Gifts	\$22,500,000	\$26,500,000

Funding Note: ¹ Revenue Financing System debt proposed to be repaid from revenues generated by the pharmacy program

- Investment Metrics:**
- Enroll 84 pharmacy students in first year (2015)
 - Enroll 414 pharmacy students by 2019
 - Graduate first class in 2019
 - Attain full accreditation in 2019

- a. amend the FY 2014-2019 Capital Improvement Program (CIP) to increase the total project cost from \$22,500,000 to \$26,500,000;
- b. revise funding sources to include Gifts;
- c. approve design development plans;
- d. appropriate funds and authorize expenditure of \$22,500,000 from Revenue Financing System Bond Proceeds, and \$4,000,000 from Gifts; 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. Tyler, which is a "Member" as such term is used in the Master Resolution, Possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$22,500,000.

BACKGROUND INFORMATION

Debt Service

The \$22,500,000 in Revenue Financing System (RFS) debt will be repaid from revenues generated by the pharmacy program. Annual debt service on the \$22,500,000 RFS debt is expected to be \$1,805,458. U. T. Tyler will utilize accumulated reserves to cover initial operating deficits through FY 2016. After FY 2016, the project's debt service coverage is expected to be at least 1.6 times and average 3.3 times over FY 2017-2020.

Previous Board Action

On August 22, 2013, the project was included in the CIP with a total project cost of \$22,500,000 with funding from RFS Bond Proceeds. On January 9, 2014, the Associate Vice Chancellor for Facilities Planning and Construction approved the redesignation of the project to the College of Pharmacy Building.

Project Description

This project will construct the W. T. Brookshire Pharmacy Building for the Ben and Maytee Fisch College of Pharmacy near the Robert R. Muntz Library. In accordance with the Campus Master Plan, the location will enable close working relationships between pharmacy faculty and students and other graduate and undergraduate faculty and students. The building will accommodate lecture halls, seminar rooms, classrooms, pharmacy practice areas, faculty offices, and associated support areas. The proposed increase in total project cost will add approximately 20,000 assignable square feet of shell space, bringing the building up to the proposed 60,000 gross square feet.

A joint U. T. Tyler and U. T. Health Science Center - Tyler self-supporting College of Pharmacy will build upon highly successful nursing, health, and medical programs offered by the two institutions and strengthen their capacity to offer additional health care degrees and to conduct sophisticated sponsored research in the future. The College of Pharmacy supports U. T. Tyler's goals listed in the Framework for Advancing Excellence throughout The University of Texas System: Action Plan and strongly supports U. T. Tyler's increased enrollment and retention targets and additional high demand professional programs to fill demonstrated regional workforce needs and pharmaceutical research capabilities.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 40-50 years
- Building Systems: 25-30 years
- Interior Construction: 10-20 years

The interior and exterior appearance and finish are consistent with other 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.

9. U. T. Health Science Center - San Antonio: South Texas Medical Academic Building - 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 Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Henrich that the U. T. System Board of Regents approve the recommendations for the South Texas Medical Academic Building project at U. T. Health Science Center - San Antonio as follows:

Project No.:	402-817	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	December 2015	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Permanent University Fund Bond Proceeds	\$54,000,000

- Investment Metrics:**
- Promote access to health professional education to a diverse student body
 - Develop first-class medical school to improve the health of the community
- a. approve design development plans; and
 - b. appropriate funds and authorize expenditure of \$54,000,000 with funding from Permanent University Fund (PUF) Bond Proceeds.

BACKGROUND INFORMATION

Previous Board Action

On November 14, 2013, the project was included in the CIP with a total project cost of \$54,000,000 with funding from PUF Bond Proceeds.

Project Description

This project will advance the goal to expand medical education as outlined in the Framework for Advancing Excellence throughout the U. T. System. The approximately 88,260 gross square feet (GSF) of space will be devoted to teaching facilities that promote faculty and student interaction at the earliest stages of medical school. The space will include lecture halls that can be converted to smaller breakout rooms for multiprofessional education and simulated patient cases. It will also have multiple small classrooms and seminar rooms for small group problem solving and "flipped classroom" learning. The project will include an auditorium, a digital library, and a clinical skills center for sophisticated testing of students' knowledge, skill, and values; preclinical M.D. labs; and a human structure lab to accommodate shifts in the technology of teaching of human anatomy. Consistent with accrediting body requirements, it will have a student lounge and study space. The building will make extensive use of online and distance

learning as part of a region-wide Medical School interacting with and complementing facilities at Harlingen and Brownsville as well as supporting continuing professional education in the region.

The building will be completed in time to matriculate the first UT-RGV medical school class in the Summer/Fall 2016. The building will house core administrative facilities for the Dean's Office and approximately 30 faculty members. It will be constructed in an area of the U. T. Pan American campus that is adjacent to the medical research building previously constructed as part of the Regional Academic Health Center (RAHC). Its location is consistent with the campus plan for creation of a medical/health professions education and research complex. The building will become part of The University of Texas Rio Grande Valley when the University is established.

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 40-50 years
- Building Systems: 25-30 years
- Interior Construction: 15-20 years

The interior and exterior appearance and finish are consistent with other campus buildings. 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.

10. U. T. Dallas: Campus Landscape Enhancement Project Phase II - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; and appropriation of funds (Final Board approval)

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents approve the recommendations for the Campus Landscape Enhancement Project Phase II at U. T. Dallas as follows:

Project No.: 302-765

Project Delivery Method: Competitive Sealed Proposals

Substantial Completion Date: June 2016

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Gifts	\$10,000,000	\$10,000,000
	Unexpended Plant Funds ¹	<u>\$ 5,000,000</u>	<u>\$10,000,000</u>
		\$15,000,000	\$20,000,000

Funding Note: ¹ Unexpended Plant Funds from unrestricted Gifts, investment income and Designated Tuition

- a. amend the FY 2014-2019 Capital Improvement Program (CIP) to increase the total project cost from \$15,000,000 to \$20,000,000; and
- b. appropriate funds of \$5,000,000 from Unexpended Plant Funds.

BACKGROUND INFORMATION

Previous Board Action

On February 14, 2013, the project was included in the CIP with a total project cost of \$15,000,000 with funding of \$10,000,000 from Gifts and \$5,000,000 from Unexpended Plant Funds. On October 14, 2013, the Chancellor approved design development documents and authorized expenditure of \$12,296,050 with funding of \$7,428,556 from Gifts and \$4,867,494 from Unexpended Plant Funds.

Project Description

The original project included phased build-out for landscape upgrades to enhance the area north of the original Mall project from the Plaza Core to the Administration Building, Rufford Promenade, Loop Road landscape, and to enhance the North-South and East-West pedestrian corridors across Campus. The proposed increase in total project cost will allow for additional build-out to allow pedestrian access to the dormitory project in the northwest portion of campus and the new Callier Richardson Expansion and Bioengineering and Science building sites on the north side of campus. This additional funding will also address pedestrian safety issues on major campus pathways.

It is the desire of the gift donor to improve the campus environment through extensive landscape improvements. These generous gifts continue the support of the original gift for construction of the new campus entry and Mall, a project that has had a transformative impact on the public realm of the campus and significant impact on the campus environment for the benefit of the student population.

This proposed repair and rehabilitation project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. Authorization of expenditure of the remaining funding will be presented to the Chancellor for approval at a later date. Not all of the gift funding authorized for expenditure is fully collected or committed at this time; however, the Office of Finance has determined that the institution has sufficient local funds to cover any shortfall.

11. U. T. El Paso: Campus Transformation Project - Amendment of the FY 2014-2019 Capital Improvement Program to increase total project cost; approval to revise funding sources; and 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 Natalicio that the U. T. System Board of Regents approve the recommendations for the Campus Transformation Project at U. T. El Paso as follows:

Project No.: 201-751

Project Delivery Method: Construction Manager-at-Risk

Substantial Completion Date: May 2015

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$15,000,000	\$16,000,000
	Permanent University Fund Bond Proceeds	\$10,000,000	\$10,000,000
	Grants (TxDOT)	<u>\$ 0</u>	<u>\$ 8,000,000</u>
		\$25,000,000	\$34,000,000

Funding Notes: ¹ Revenue Financing System Bond Proceeds to be repaid from Gifts and Designated Tuition

- a. amend the FY 2014-2019 Capital Improvement Program (CIP) to increase the total project cost from \$25,000,000 to \$34,000,000;
- b. revise funding sources to include Grants;
- c. appropriate and authorize expenditure of \$16,000,000 from Revenue Financing System (RFS) Bond Proceeds, \$10,000,000 from Permanent University Fund (PUF) Bond Proceeds, and \$8,000,000 from Grants; 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. El Paso, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$16,000,000.

BACKGROUND INFORMATION

Debt Service

The \$16,000,000 in aggregate Revenue Financing System debt will be repaid from Gifts and Designated Tuition. Annual debt service on the \$16,000,000 RFS debt is expected to be \$982,000. The institution's debt service coverage is expected to be at least 1.6 times and average 2.0 times over FY 2014-2019.

Previous Board Actions

On August 23, 2012, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$25,000,000 with funding from RFS Bond Proceeds. On February 14, 2013, the Board approved design development plans and authorization of expenditure. On August 22, 2013, the Board approved \$10,000,000 of PUF of Bond Proceeds to replace \$10,000,000 from RFS Bond Proceeds.

Project Description

The Campus Transformation Project will complete the campus outdoor space reconfiguration begun more than 10 years ago to improve access and space utilization and to enhance the quality of campus life. This project is the culmination of a master planning and implementation process that has successfully leveraged the investments of a variety of strategic partners, including the City of El Paso and the Texas Department of Transportation (TxDOT).

The proposed increase in the total project cost is necessitated primarily by the expanded scope and costs related to replacing underground utility infrastructure improvements in the project area, including all hydronic, gas, water, electrical, and telecommunications lines, some of which are as much as 40 years old. These upgrades will greatly enhance the reliability of utility services and expand upon current capacity to better serve the campus needs in the future.