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FOR
FACILITIES PLANNING AND CONSTRUCTION
COMMITTEE**

Committee Meeting: 2/8/2017

Board Meeting: 2/9/2017
Austin, Texas

Brenda Pejovich, Chairman
David J. Beck
Alex M. Cranberg
Wallace L. Hall, Jr.
R. Steven Hicks

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Convene	3:30 p.m. <i>Chairman Pejovich</i>		
1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration	3:30 p.m. Discussion	Action	293
<u>Additions to the CIP</u>			
2. U. T. Permian Basin: Kinesiology Building - Amendment of the FY 2017-2022 Capital Improvement Program to include project (Preliminary Board approval)	3:35 p.m. Action <i>President Watts</i>	Action	294
3. U. T. Southwestern Medical Center: William P. Clements, Jr. University Hospital Expansion - Amendment of the FY 2017-2022 Capital Improvement Program to include project (Preliminary Board approval)	3:40 p.m. Action <i>President Podolsky</i>	Action	296
4. U. T. Health Science Center - San Antonio: Cancer Therapy and Research Center (CTRC) Renovations - Amendment of the FY 2017-2022 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)	4:00 p.m. Action <i>Mr. O'Donnell</i>	Action	298
5. U. T. Arlington: Dining Facility - West Campus - Amendment of the FY 2017-2022 Capital Improvement Program to include project; approval of total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of institutional management; and resolution regarding parity debt (Final Board approval)	4:05 p.m. Action <i>President Karbhari</i> <i>Mr. O'Donnell</i>	Action	300

	Committee Meeting	Board Meeting	Page
<u>Design Development Approval</u>			
6. U. T. Arlington: Residence Hall - West Campus (Phase I) - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)	4:15 p.m. Action <i>Mr. O'Donnell</i>	Action	303
<u>Modifications to the CIP</u>			
7. U. T. Medical Branch - Galveston: Building 17 Expansion - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure (Final Board approval)	4:20 p.m. Action <i>Mr. O'Donnell</i>	Action	306
8. U. T. Medical Branch - Galveston: Biocontainment Critical Care Unit - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure (Final Board approval)	4:25 p.m. Action <i>Mr. O'Donnell</i>	Action	308
Adjourn	4:30 p.m.		

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

RECOMMENDATION

No Consent Agenda items are assigned for review by this Committee. The Consent Agenda begins on [Page 326](#).

2. U. T. Permian Basin: Kinesiology Building - Amendment of the FY 2017-2022 Capital Improvement Program to include project (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Deputy Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Watts that the U. T. System Board of Regents amend the FY 2017-2022 Capital Improvement Program (CIP) to include the Kinesiology Building project at U. T. Permian Basin as follows:

Project No.:	501-918	
Project Delivery Method:	Competitive Sealed Proposals	
Milestone Dates:	Definition Phase Approved	September 2016
	Addition to CIP	February 2017
	Design Development	August 2017
	Notice to Proceed	December 2017
	Substantial Completion	June 2019
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Permanent University Fund Bond Proceeds	\$14,200,000
	Gifts ¹	<u>\$ 2,000,000</u>
		\$16,200,000

Funding Note: ¹Gifts are fully collected

- Investment Metrics:**
- Increase the number of Kinesiology students from 300 to 600 and Athletic Training majors from 30 to 90 by 2025
 - Increase Kinesiology graduates from 75 to 180 undergraduates and from 6 to 12 graduates by 2025
 - Increase tenured and tenure-track faculty members from 4 to 8 by 2025
 - Add \$10,000,000 in research grant funding and \$1,000,000 from community funding through wellness testing by 2027

Project Advocate: James Eldridge, Professor and Chair of Kinesiology

Definition Phase Completed: Yes

Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	In progress
	Detailed Cost Estimate	In progress
	Facilities Program	Yes

Cost Per Gross Square Foot Benchmarks*

Kinesiology Building	\$361
Texas Higher Education Coordinating Board Average for Classroom, General	\$427

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$312	\$385	\$441
Other National Projects	\$275	\$347	\$456

* All benchmark costs escalated to midpoint of construction

BACKGROUND INFORMATION

Previous Actions

On September 8, 2016, the Chancellor approved this project for Definition Phase. On November 10, 2016, the Board of Regents approved \$14,200,000 from Permanent University Fund Bond Proceeds as a funding source for the Kinesiology Building.

Project Description

This project will construct a new approximately 31,383 gross square foot facility to house the Kinesiology Department's classrooms, labs, offices and storage areas, as well as classrooms and labs for the athletic training majors. It will also include a strength and conditioning center for kinesiology, athletics, and student recreational use.

The Kinesiology Department is experiencing great growth in the area of exercise sciences. The facility will provide classrooms designed specifically for exercise physiology, biomechanics, and athletic training courses to enhance access to teaching and training tools, including skeletons and anatomical models. New state-of-the-art laboratories will enhance the Department's ability to apply for research grant funding and to recruit undergraduate and graduate-level students.

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.

3. U. T. Southwestern Medical Center: William P. Clements, Jr. University Hospital Expansion - Amendment of the FY 2017-2022 Capital Improvement Program to include project (Preliminary Board approval)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Deputy Chancellor, 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 2017-2022 Capital Improvement Program (CIP) to include the William P. Clements, Jr. University Hospital Expansion project at U. T. Southwestern Medical Center as follows:

Project No.:	303-1035	
Institutionally Managed:	Yes	
Project Delivery Method:	Construction Manager-at-Risk	
Milestone Dates:	Definition Phase Approved	May 2016
	Addition to CIP	February 2017
	Design Development	May 2017
	Notice to Proceed	July 2017
	Substantial Completion	February 2020
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$400,000,000
	Designated Funds ²	<u>\$ 80,000,000</u>
		\$480,000,000
Funding Notes:	¹ Revenue Financing System (RFS) to be repaid from Hospital Revenues	
	² Designated Funds from institutional funds	
Investment Metrics:	<ul style="list-style-type: none"> • Create best-in-class multidisciplinary care model across all disciplines, located in a single facility • Establish Clements University Hospital as a destination high acuity quaternary care hospital 	
Project Advocates:	John Warner, Vice President and Chief Operating Officer, University Hospitals	
Definition Phase Completed:	Yes	
Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	Yes
	Detailed Cost Estimate	Yes
	Facilities Program	Yes

Cost Per Gross Square Foot Benchmarks*

William P. Clements, Jr. University Hospital Expansion	\$439
Texas Higher Education Coordinating Board Average for Healthcare Facility, Hospital	\$475

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$492	\$535	\$543
Other Texas Projects	\$756	\$828	\$901
Other National Projects	\$616	\$798	\$934

* All benchmark costs escalated to midpoint of construction

Cost Per Bed Benchmarks*

William P. Clements, Jr. University Hospital Expansion	\$971,692
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	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$1,119,476	\$1,337,302	\$1,580,151
Other Texas Projects	\$1,837,702	\$1,994,646	\$2,151,590
Other National Project	\$1,178,292	\$1,680,901	\$2,498,630

* All benchmark costs escalated to midpoint of construction

BACKGROUND INFORMATION

Previous Action

On May 20, 2016, the Chancellor approved this project for Definition Phase.

Project Description

The William P. Clements, Jr. University Hospital Expansion project will add an approximately 650,000 gross square foot, 12-story third tower and two parking structures with a total of approximately 2,150 parking spaces to the existing hospital. This project will allow for consolidation of inpatient services in one facility, as existing services at Zale Lipshy University Hospital will be moved to the Clements University Hospital.

This expansion will improve operational efficiency and lower the cost of care by eliminating redundant infrastructure across two hospitals, allowing for the leverage of investments made during the original construction to facilitate expansion at a lower cost with minimal disruption to existing operations. Besides consolidation of services currently offered at Zale Lipshy, the project will provide an additional 144 beds for a total of 292 beds. The addition of needed Emergency Room, Operating Room, and increased Imaging Services capacity will improve care and reduce costs.

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.

4. U. T. Health Science Center - San Antonio: Cancer Therapy and Research Center (CTRC) Renovations - Amendment of the FY 2017-2022 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 in the recommendation of the Deputy Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Henrich that the U. T. System Board of Regents amend the FY 2017-2022 Capital Improvement Program (CIP) to include the Cancer Therapy and Research Center (CTRC) Renovations project at U. T. Health Science Center - San Antonio as follows:

Project No.:	402-1094	
Institutionally Managed:	Yes	
Project Delivery Method:	Construction Manager-at-Risk	
Milestone Dates:	Definition Phase Approved	October 2016
	Addition to CIP	February 2017
	Design Development	March 2017
	Notice to Proceed	May 2017
	Substantial Completion	May 2018
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Permanent University Fund Bond Proceeds ¹	\$12,000,000
	Designated Funds ²	<u>\$ 3,000,000</u>
		\$15,000,000
Funding Notes:	¹ Permanent University Fund (PUF) approved by Board on November 10, 2016	
	² Designated Funds from Facilities and Administrative revenue	
Project Advocate:	James D. Kazen, Executive Vice President for Facilities Planning and Operations	
Definition Phase Completed:	Yes	
Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	Yes
	Detailed Cost Estimate	Yes
	Facilities Program	Yes

Cost Per Gross Square Foot

CTRC Renovations	\$337
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- a. amend the FY 2017-2022 CIP and approve a total project cost of \$15,000,000 with funding of \$12,000,000 from PUF Bond Proceeds and \$3,000,000 from Designated Funds;
- b. appropriate funds; and
- c. authorize U. T. Health Science Center - San Antonio to manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

BACKGROUND INFORMATION

Previous Actions

On October 22, 2016, the Chancellor approved this project for Definition Phase. On November 10, 2016, the Board approved allocation of PUF Bond Proceeds for projects included in the Cancer Collaboration.

Project Description

The Cancer Therapy and Research Center (CTRC) Renovations project is intended to address the necessary improvements to the current facility to meet the program requirements for world-class cancer care set forth by U. T. Health Science Center - San Antonio and U. T. M. D. Anderson Cancer Center. These renovations include constructing a new and expanded pharmacy, a welcome center, a diagnostic center, a new patient and family service center, and a new infusion center. This project will also focus on addressing infrastructure issues to the building, including replacing air handlers, adding emergency generators, and replacing the entire roof.

This proposed repair and rehabilitation 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 President for approval at a later date. It has been determined that this project would best be managed by U. T. Health Science Center - San Antonio Facility Management personnel who have the experience and capability to manage all aspects of the work.

5. U. T. Arlington: Dining Facility - West Campus - Amendment of the FY 2017-2022 Capital Improvement Program to include project; approval of total project cost; approval of design development; appropriation of funds and authorization of expenditure; approval of institutional management; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Deputy Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Karbhari that the U. T. System Board of Regents amend the FY 2017-2022 Capital Improvement Program (CIP) to include the Dining Facility - West Campus project and approve the recommendations for the project at U. T. Arlington as follows:

Project No.:	301-1046	
Institutionally Managed:	Yes	
Project Delivery Method:	Construction Manager-at-Risk	
Milestone Dates:	Definition Phase Approved	July 2016
	Addition to CIP	February 2017
	Design Development	February 2017
	Notice to Proceed	April 2017
	Substantial Completion	July 2018
Total Project Cost:	<u>Source</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$15,500,000
	Unexpended Plant Funds ²	\$ 5,500,000
		<u>\$21,000,000</u>

Funding Notes: ¹ Revenue Financing System (RFS) to be repaid from food services and room rental revenue
² Unexpended Plant Funds from food services provider

Investment Metric: • Directly support the University's Strategic Plan imperative of increasing enrollment to more than 43,000 students by 2020

Project Advocate: David Albart, Director of University Center

Definition Phase Completed: Yes

Project Planning:	Owner's Project Requirements	Yes
	Basis of Design	Yes
	Schematic Plans	Yes
	Detailed Cost Estimate	Yes
	Facilities Program	Yes

Cost Per Gross Square Foot Benchmarks*

Dining Facility - West Campus	\$374
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	Low Quartile	Median	High Quartile
Other Texas Projects, Dining	\$362	\$411	\$448
Other National Projects, Dining	\$297	\$364	\$382
Other U. T. System Projects, Student Center	\$401	\$415	\$429
Other National Projects, Student Center	\$384	\$461	\$535

* All benchmark costs escalated to midpoint of construction

- a. approve a total project cost of \$21,000,000;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of \$21,000,000 with funding of \$15,500,000 from RFS Bond Proceeds and \$5,500,000 from Unexpended Plant Funds;
- d. authorize U. T. Arlington to manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts; 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 \$15,500,000.

BACKGROUND INFORMATION

Debt Service

The \$15,500,000 in RFS debt will be repaid from food services and room rental revenue. Annual debt service on the \$15,500,000 RFS debt is expected to be \$940,000. The institution's debt service coverage is expected to be at least 2.3 times and average 2.7 times over FY 2017-2022.

Previous Action

On July 10, 2016, the Chancellor approved this project for Definition Phase.

Project Description

The 40,200 gross square foot two-story dining and student union facility will serve the needs of the West Campus area. The first floor will provide several seating areas totaling more than 350 seats supporting the main dining area, food preparation and cooking areas, walk-in coolers and freezers, and a manager's office. The second floor will contain a variety of flexible seating, meeting rooms for small banquets and student organizations, departmental, fraternity, and sorority meetings. Amenities include casual computer stations and charging stations at tables and lounge areas.

Currently, campus dining services venues are operating at full capacity. Future growth of the on-campus student population, including the concurrent opening of the Residence Hall - West Campus (Phase I) proposed in [Item 6](#), necessitates the request for this facility.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP. It has been determined that this project would best be managed by U. T. Arlington Facilities Management personnel who have the experience and capability to manage all aspects of the work.

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years

Building Systems: 25 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.

6. U. T. Arlington: Residence Hall - West Campus (Phase I) - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Deputy Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and President Karbhari that the U. T. System Board of Regents approve the recommendations for the Residence Hall - West Campus (Phase I) project at U. T. Arlington as follows:

Project No.:	301-914		
Project Delivery Method:	Construction Manager-at-Risk		
Milestone Dates:	Definition Phase Approved	July 2016	
	Addition to CIP	November 2016	
	Design Development	February 2017	
	Notice to Proceed	April 2017	
	Substantial Completion	July 2018	
Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Revenue Financing System Bond Proceeds ¹	\$34,500,000	\$40,000,000
	Auxiliary Enterprises Balances ²	<u>\$ 1,500,000</u>	<u>\$ 6,500,000</u>
		\$36,000,000	\$46,500,000
Funding Notes:	¹ Revenue Financing System (RFS) to be repaid from rental income		
	² Auxiliary Enterprises Balances from rental income and housing reserves		
Investment Metric:	<ul style="list-style-type: none"> • Directly support the University's Strategic Plan imperative of increasing enrollment to more than 43,000 students by 2020 		
Project Advocate:	Don Lange, Director of Auxiliary Operations and Logistics		
Definition Phase Completed:	Yes		
Project Planning:	Owner's Project Requirements	Yes	
	Basis of Design	Yes	
	Schematic Plans	Yes	
	Detailed Cost Estimate	Yes	
	Facilities Program	Yes	

Cost Per Bed Benchmarks*

Residence Hall - West Campus (Phase I)	\$69,030
College Planning & Management National Average for Residence Halls	\$91,436

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$66,997	\$84,951	\$100,467
Other Texas Projects	\$61,069	\$67,627	\$90,590

* All benchmark costs escalated to midpoint of construction

- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to increase the total project cost from \$36,000,000 to \$46,500,000;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of \$46,500,000 with funding of \$40,000,000 from RFS Bond Proceeds and \$6,500,000 from Auxiliary Enterprises Balances; 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. 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 \$40,000,000.

BACKGROUND INFORMATION

Debt Service

The \$40,000,000 in RFS debt will be repaid from rental income. Annual debt service on the \$40,000,000 RFS debt is expected to be \$2.44 million. The institution's debt service coverage is expected to be at least 2.3 times and average 2.7 times over FY 2017-2022.

Previous Actions

On July 12, 2016, the Chancellor approved this project for Definition Phase. On November 10, 2016, the project was included in the CIP with a total project cost of \$36,000,000 with funding of \$34,500,000 from RFS Bond Proceeds and \$1,500,000 from Auxiliary Enterprises Balances.

Project Description

The proposed four-story residence hall will offer 536 beds in double-occupancy rooms and is intended for freshman and sophomore students. Study suites, social areas with kitchens, a classroom, and other amenities that encourage educational opportunities through living-learning environments are included.

U. T. Arlington's Housing Master Plan indicates that the aging housing facilities have become functionally obsolete and should be replaced with new residence halls that offer high levels of living-learning experiences. The University currently has 3,819 beds on campus and is operating at 99% occupancy with a waiting list of 344 students. Concurrent with completion of this project, two dormitories, Brazos House and Trinity House offering 333 beds, will be closed and demolition is scheduled for FY 2019, resulting in a total of 4,022 beds provided by the institution. There are an additional 1,077 beds provided by private development on campus.

The total project cost has been increased based on current market conditions and validated by two project cost estimators.

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 40 years
Building Systems: 25 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.

7. U. T. Medical Branch - Galveston: Building 17 Expansion - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Deputy Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Callender that the U. T. System Board of Regents approve the recommendations for the Building 17 Expansion project at U. T. Medical Branch - Galveston as follows:

Project No.: 601-818

Project Delivery Method: Construction Manager-at-Risk

Milestone Dates:

Addition to CIP	February 2014
Design Development	February 2015
Notice to Proceed	March 2017
Substantial Completion	March 2018

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	Permanent University Fund Bond Proceeds	\$ 30,500,000	\$ 30,500,000
	Revenue Financing System Bond Proceeds	\$ 11,500,000	\$ 11,500,000
	Hospital Revenues	\$ 0	\$ 7,920,937
		<u>\$ 42,000,000</u>	<u>\$ 49,920,937</u>

Investment Metrics: By 2018

- Maintain competitive position in research funding by minimizing operating costs of Animal Resource Center through consolidation of animal facilities
- Mitigate critical research assets from future flood damage

Project Advocate: Danny O. Jacobs, Executive Vice President and Provost, Dean of the School of Medicine

Definition Phase Completed: N/A

Project Planning:

Owner's Project Requirements	N/A
Basis of Design	N/A
Schematic Plans	N/A
Detailed Cost Estimate	N/A
Facilities Program	N/A

Cost Per Gross Square Foot Benchmarks*

Building 17 Expansion (with 20% Shell Space)	\$443
Building 17 Expansion (Estimated Total Finish-Out)	\$528
Texas Higher Education Coordinating Board Average, Laboratory Medical/Healthcare	\$481

	Low Quartile	Median	High Quartile
Other U. T. System Projects	\$436	\$509	\$606
Other Texas Projects	\$403	\$526	\$839
Other National Projects	\$456	\$543	\$830

* All benchmark costs escalated to midpoint of construction

- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to increase the total project cost from \$42,000,000 to \$49,920,937;
- b. revise funding sources to include Hospital Revenues; and
- c. appropriate funds and authorize expenditure of \$7,920,937 from Hospital Revenues.

BACKGROUND INFORMATION

Previous Actions

On December 12, 2013, the project was added to the CIP with a total project cost of \$42,000,000 with funding of \$30,500,000 from Permanent University Fund Bond Proceeds and \$11,500,000 from Revenue Financing System Bond Proceeds. On February 12, 2015, the Board approved design development and authorized expenditure of funds.

Project Description

The facility, as originally approved, included two shelled floors at Levels 5 and 6. This increase in scope will finish out 9,628 gross square feet (GSF) on Level 6 for vivarium space including animal holding, procedure rooms, and a surgical suite needed to accommodate research space to support NIH grants for the Galveston National Laboratory. Additionally, a 1,147 GSF pedestrian sky bridge will be constructed to connect Building 17 to the adjacent Research Building (Building 19) to increase security and access for research.

Currently, 40% of U. T. Medical Branch's research depends on animal protocols each year. Maintaining adequately sized and state-of-the-art animal research facilities is essential to the University's ability to improve health by advancing biomedical science. This project will help to secure new grant funding, advance the goals of the Research Strategic Plan, and assure continued accreditation from the Association for Assessment and Accreditation of Laboratory Animal Care.

8. U. T. Medical Branch - Galveston: Biocontainment Critical Care Unit - Amendment of the FY 2017-2022 Capital Improvement Program to increase total project cost; approval to revise funding sources; and appropriation of funds and authorization of expenditure (Final Board approval)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Deputy Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Callender that the U. T. System Board of Regents approve the recommendations for the Biocontainment Critical Care Unit project at U. T. Medical Branch - Galveston as follows:

Project No.: 601-1086

Institutionally Managed: Yes

Project Delivery Method: Construction Manager-at-Risk

Milestone Dates:

Addition to CIP	August 2015
Design Development	December 2015
Notice to Proceed	March 2017
Substantial Completion	March 2018

Total Project Cost:	<u>Source</u>	<u>Current</u>	<u>Proposed</u>
	General Revenue ¹	\$ 8,200,000	\$ 8,200,000
	Hospital Revenues	\$ 3,500,000	\$ 5,400,000
	Grants ²	\$ 0	\$ 2,000,000
		<u>\$11,700,000</u>	<u>\$15,600,000</u>

Funding Notes: ¹General Revenue appropriation from House Bill 2, 84th Legislature
²Grants from Texas Department of State Health Services

Project Advocate: Donna Sollenberger, Executive Vice President and Chief Executive Officer

Definition Phase Completed: N/A

Project Planning:

Owner's Project Requirements	N/A
Basis of Design	N/A
Schematic Plans	N/A
Detailed Cost Estimate	N/A
Facilities Program	N/A

Cost Per Gross Square Foot

Biocontainment Critical Care Unit	\$675
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- a. amend the FY 2017-2022 Capital Improvement Program (CIP) to increase the total project cost from \$11,700,000 to \$15,600,000;
- b. revise funding sources to include Grants; and
- c. appropriate funds and authorize expenditure of \$3,900,000 with \$1,900,000 in additional funds from Hospital Revenues, and \$2,000,000 from Grants.

BACKGROUND INFORMATION

Previous Action

On August 20, 2015, the project was included in the CIP with a total project cost of \$11,700,000 with funding of \$8,200,000 from General Revenue and \$3,500,000 from Hospital Revenues.

Project Description

The Biocontainment Critical Care Unit project was approved by the Board of Regents in response to the events of September 2014 surrounding the Ebola infectious disease pandemic. U. T. Medical Branch - Galveston established protocols and workflows related to preparedness for specialized patient management and received national designation as the regional care provider for Ebola and similar infectious diseases.

The initial scope, which allowed for the care of four patients, has been increased to a six-patient capacity as a result of further discussions with state and national health officials. The Biocontainment Critical Care Unit is designed with appropriate technology and systems capable of isolation, redundancy, and sustainable operations to provide patient care by staff under the duress of extended operations while under biocontainment isolation protocols.