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FOR
FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

Committee Meeting: 2/23/2022

Board Meeting: 2/24/2022
Austin, Texas

R. Steven Hicks, Chairman
Christina Melton Crain
Nolan Perez
Stuart W. Stedman
Kelcy L. Warren
Rad Weaver

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	Design Development Approval			
7.	**U. T. Dallas: Arts and Performance Complex - Athenaeum, Phase I - Amendment of the current Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt**	**Action** *President Benson*	**Action**	**270**
	Modification to the CIP			
8.	**U. T. Medical Branch - Galveston: John Sealy Hospital Modernization Phase III - Amendment of the current Capital Improvement Program to increase total project cost; approval to revise funding sources; appropriation of funds; and resolution regarding parity debt**	**Action** *President Raimer*	**Action**	**274**
Adjourn		*5:30 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.

2. U. T. Austin: Boiler Replacement - Amendment of the current Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Boiler Replacement project at The University of Texas at Austin as follows:

a. amend the current CIP and approve a total project cost of $43,900,000;

b. appropriate funds of $43,900,000 with funding from the Revenue Financing System (RFS) Bond Proceeds; and

c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of $43,900,000.

BACKGROUND INFORMATION

Debt Service

The $43,900,000 in RFS debt will be recovered from generated utility rates. Annual debt service on the $43,900,000 in RFS debt is expected to be $2.44 million. The institution's Scorecard Rating of 2.3 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Action

On April 8, 2021, the Chancellor approved this project for Definition Phase.

Project Description

U. T. Austin operates a cogeneration system that is considered the most efficient, reliable, resilient, and cost-effective campus utility system in the United States. The proposed project will demolish two existing 1945 vintage, 75,000 pounds/hour steam boilers and replace them with

two new 175,000 pounds/hour steam boilers inside the Carl J. Eckhardt Heating and Power Plant on the main campus. The scope will include all necessary electrical gear, controls, instrumentation, controls programming, and emissions monitoring and control systems required to comply with air emissions requirements. The planned boiler system replacement will renew the steam system with the same or improved design principles and efficiencies of the existing system.

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. Pursuant to a May 10, 2017 Board of Regents approval, effective September 1, 2017, U. T. Austin has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

The University of Texas at Austin
Boiler Replacement

Project Information

Project Number	102-1352
CIP Project Type	Repair & Rehabilitation
Facility Type	Utilities/Infrastructure
Management Type	Institutional Management
Institution's Project Advocate	Ryan Thompson, Associate Director, Power Plant and Chilling Station Operations
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	N/A

Project Funding

	Proposed
Revenue System Financing Bond Proceeds[1]	$43,900,000
Total Project Cost	$43,900,000

[1] Revenue System Financing (RFS) Bond Proceeds are expected to be recovered from generated utility rates.

Project Cost Detail

	Cost
Building Cost *project does not meet the definition	$ -
Fixed Equipment	12,970,000
Site Development	2,130,000
Furniture and Moveable Equipment	-
Institutionally Managed Work	350,000
Architectural/Design Services	3,100,000
Project Management	14,710,000
CIP Support Services	-
Insurance	600,000
Other Professional Fees	-
Project Contingency	9,500,000
Other Costs – Interim Interest	540,000
Total Project Cost	$43,900,000

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	April 2021
Addition to CIP	February 2022
Design Development Approval	September 2022
Construction Notice to Proceed	October 2022
Substantial/Final Completion	October 2023

3. U. T. El Paso: Advanced Manufacturing and Aerospace Center - Amendment of the current Capital Improvement Program to include project

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Advanced Manufacturing and Aerospace Center project at The University of Texas at El Paso.

BACKGROUND INFORMATION

Previous Actions

On July 20, 2020, the Chancellor approved this project for Definition Phase.

Project Description

The proposed Advanced Manufacturing and Aerospace Center (AMAC) project will construct a four-story building on the main campus in the Bhutanese style of the university. The facility will house two of the University's institutes, W.M. Keck Center for 3D Innovation and Aerospace Center. The project will provide usable program space for institute specific research and fabrication laboratories, administrative spaces, as well as shared core analytical laboratories and support laboratories. Providing state-of-the-art laboratories and industry engaging facilities will bring under one roof facilities and additional laboratory space to support future research and educational opportunities for each institute.

The AMAC will house growing research and teaching program in additive manufacturing and aerospace. The AMAC's on-campus facility will substantially increase the advanced manufacturing and aerospace research and teaching space, with plans to train more than 600 graduate and undergraduate students annually. The AMAC will augment test facilities for rocket engines and drones currently located in East El Paso County. UTEP is a national leader in additive manufacturing using specialty materials and embedding electronics in 3D-printed materials.

This 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.

The University of Texas at El Paso
Advanced Manufacturing and Aerospace Center

Project Information

Project Number	201-1312
CIP Project Type	New Construction
Facility Type	Classroom, General
Management Type	Office of Capital Projects
Institution's Project Advocate	Mark McGurk, Vice President for Business Affairs
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	85,613

Project Funding

	Proposed
Permanent University Fund Bond Proceeds[1]	$70,000,000
Total Project Cost	$70,000,000

[1] Permanent University Fund (PUF) Bond Proceeds were approved by the Board on November 14, 2019.

Project Cost Detail

	Cost
Building Cost	$44,321,990
Fixed Equipment	1,458,788
Site Development	5,933,843
Furniture and Moveable Equipment	3,200,000
Institutionally Managed Work	4,560,775
Architectural/Design Services	4,110,000
Project Management	626,000
CIP Support Services	500,000
Insurance	964,496
Other Professional Fees	2,735,504
Project Contingency	1,588,604
Other Costs	-
Total Project Cost	$70,000,000

The University of Texas at El Paso
Advanced Manufacturing and Aerospace Center
(continued)

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

Advanced Manufacturing and Aerospace Center	$518
Texas Higher Education Coordinating Board Average – Laboratory, General	$716

	Low Quartile	Median	High Quartile
Other U. T. System Projects	$492	$539	$611
Other National Projects	$408	$465	$631

Investment Metrics

- Train 600 graduate and undergraduate students annually by 2030
- Recruit and retain top-tier faculty members to increase research revenues by 2030

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	July 2020
Addition to CIP	February 2022
Design Development Approval	August 2022
Construction Notice to Proceed	October 2022
Substantial Completion	December 2024
Final Completion	December 2025

Basis of Design

The planned building life expectancy includes the following elements:

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

4. U. T. Rio Grande Valley: Interdisciplinary Academic Building B - Amendment of the current Capital Improvement Program to include project; approval of total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Interdisciplinary Academic Building B project and approve the recommendations for the project at The University of Texas Rio Grande Valley as follows:

a. amend the Capital Improvement Program to include project and approve a total project cost of $11,706,457;

b. approve design development plans;

c. appropriate funds of $11,706,457 with funding of $2,786,457 from Tuition Revenue Bond (TRB) Proceeds and $8,920,000 from Revenue Financing System (RFS) Bond Proceeds; 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. Rio Grande Valley, 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 $8,920,000.

BACKGROUND INFORMATION

Debt Service

The $8,920,000 in RFS debt will be repaid from Designated Funds. Annual debt service on the $8,920,000 in RFS debt is expected to be $496,000. The institution's Scorecard Rating of 2.3 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On June 14, 2021, the Chancellor approved a minor project (below $10 million) with a total project cost of $9,806,457 with funding of $2,786,457 from Tuition Revenue Bond Proceeds saved from the Interdisciplinary Academic Building and $7,020,000 of Revenue Financing System Bond Proceeds approved by the Board on November 18, 2021 for this project. On January 12, 2022, the Chancellor approved this project for Definition Phase, as the total project cost was increased above the $10 million threshold requiring inclusion in the CIP.

Project Description

The UTRGV Department of Human Health & Performance delivers high quality undergraduate and master's programs in kinesiology, exercise science, and health at the Brownsville and Edinburg Campuses. In the absence of dedicated space on the Brownsville campus, the Department is currently separated into three leased buildings and one owned building.

The proposed project, located on the southern section of the Brownsville campus, will house faculty and administrative offices, research space, laboratory space, and teaching space. The building will serve as a critical area in support of theory-based lecture courses for faculty to demonstrate teaching methodology, sports skills, and fitness and wellness concepts. It will serve to support student demonstrations in pedagogical courses offered in the major programs of study in kinesiology, exercise science, and health. In addition, it will provide research spaces to support faculty and student research activities. A centralized department will allow for greater administrative efficiency and will facilitate student and faculty interaction and learning.

This proposed project has been approved by U. T. System staff and meets the criteria for inclusion in the CIP and design development approval. As this project was underway as an institutionally managed minor project, it has been determined that this project remain managed by UTRGV Facilities Management personnel who have the experience and capability to manage all aspects of the work.

The University of Texas Rio Grande Valley
Interdisciplinary Academic Building B

Project Information

Project Number	903-943B
CIP Project Type	New Construction
Facility Type	Laboratory, General
Management Type	Institutional Management
Institution's Project Advocate	Dr. Michael Lehker, Dean of the College of Health Professions
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	16,754

Project Funding

	Proposed
Tuition Revenue Bond Proceeds[1]	$ 2,786,457
Revenue Financing System Bond Proceeds[2]	8,920,000
Total Project Cost	$11,706,457

[1]Tuition Revenue Bond Proceeds approved in 2015
[2]Revenue Financing System (RFS) Bond Proceeds to be repaid from Designated Funds

Project Cost Detail

	Cost
Building Cost	$8,536,441
Fixed Equipment	51,347
Site Development	709,212
Furniture and Moveable Equipment	800,000
Institutionally Managed Work	200,000
Architectural/Design Services	599,218
Project Management	-
CIP Support Services	117,064
Insurance	-
Other Professional Fees	204,852
Project Contingency	473,949
Other Costs	14,374
Total Project Cost	$11,706,457

The University of Texas Rio Grande Valley
Interdisciplinary Academic Building B
(continued)

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

Interdisciplinary Academic Building B	$510
Texas Higher Education Coordinating Board Average – Laboratory, General	$715

	Low Quartile	Median	High Quartile
Other U. T. System Projects	$475	$515	$601
Other National Projects	$548	$661	$868

Investment Metric

- Increase assignable square feet of instruction and research laboratories by 2023

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	January 2022
Addition to CIP	February 2022
Design Development Approval	February 2022
Construction Notice to Proceed	March 2022
Substantial Completion	July 2023
Final Completion	September 2023

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years
Building Systems: 25 years
Interior Construction: 25 years

5. U. T. M. D. Anderson Cancer Center: Expand Rotary House International Hotel - Amendment of the current Capital Improvement Program to include project

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Expand Rotary House International Hotel project at The University of Texas M. D. Anderson Cancer Center.

BACKGROUND INFORMATION

Previous Action

On March 14, 2018, the Chancellor approved this project for Definition Phase.

Project Description

The Jesse H. Jones Rotary House International Hotel was constructed to provide lodging and accommodations for patients undergoing treatment at U. T. M. D. Anderson in the Texas Medical Center. Upon completion, the hotel had a combination of 322 guest rooms and suites. In 2007, the facility was updated to refresh the guest rooms and suites, corridors, and associated furnishings, to renovate the lobby and dining areas, and to bring the hotel into compliance with then current Life Safety Code requirements.

The proposed project involves the expansion of the hotel to provide additional guest rooms and suites, with the construction of a 12-story wing immediately adjacent to and interconnected with the hotel. This new wing is expected to accommodate 180 guest rooms and suites. The project also involves renovating space within the existing hotel to improve the amenities areas to meet the needs of the increased guest population that will necessitate the removal of seven existing guest rooms and suites from service, which will result in a net increase of 173 guest rooms and suites. Upon completion of the project, the hotel is expected to have a total of 495 guest rooms and suites.

Expansion of the hotel is needed to support the institution's commitment and strategy to making it easier for patients to access treatment at the institution's facilities on the Texas Medical Center Campus. Historically, hotel occupancy is over 80% Sunday through Thursday and frequently reaches 100% at some point during those days of the week.

This proposed 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 Board for approval at a later date. Pursuant to a Memorandum of Understanding effective September 1, 2020, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

The University of Texas M. D. Anderson Cancer Center
Expand Rotary House International Hotel

Project Information

Project Number	703-1178
CIP Project Type	New Construction
Facility Type	Other
Management Type	Institutional Management
Institution's Project Advocate	Tim Peglow, Associate Vice President for Patient Care & Cancer Prevention Facilities
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	153,300 New Construction 42,600 Repair & Rehabilitation

Project Funding

	Proposed
Revenue Financing System Bond Proceeds[1]	$63,400,000
Auxiliary Enterprises Balances	$20,100,000
Total Project Cost	$83,500,000

[1] Revenue Financing System (RFS) Bond Proceeds to be repaid from Auxiliary Enterprises Balances from ongoing hotel operations

Project Cost Detail

	Cost
Building Cost (Total)	$59,357,700
New Construction	49,417,600
Repair and Rehabilitation of existing RHI areas	9,940,100
Fixed Equipment	3,255,600
Site Development	1,171,100
Furniture and Moveable Equipment	4,892,200
Institutionally Managed Work	3,602,600
Architectural/Design Services	3,976,300
Project Management	2,236,400
CIP Support Services	-
Insurance	1,630,700
Other Professional Fees	141,900
Project Contingency	2,860,900
Other Costs	374,600
Total Project Cost	$83,500,000

The University of Texas M. D. Anderson Cancer Center
Expand Rotary House International Hotel
(continued)

Building Cost per GSF

Expand Rotary House International Hotel	$303
Hospitality/Lodging (Regional Cost Data)	$336-$480

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	March 2018
Addition to CIP	February 2022
Design Development Approval	August 2022
Construction Notice to Proceed	November 2022
Substantial Completion	November 2024
Final Completion	December 2024

6. U. T. M. D. Anderson Cancer Center: Renovate ioMRI Suites and Robot Row - Main Building - Floor 5 - Amendment of the current Capital Improvement Program to include project; approval of total project cost; and appropriation of funds

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Renovate ioMRI Suites and Robot Row - Main Building - Floor 5 project at The University of Texas M. D. Anderson Cancer Center as follows:

a. amend the current CIP and approve a total project cost of $26,000,000; and

b. appropriate funds of $26,000,000 from Hospital Revenues.

BACKGROUND INFORMATION

Previous Action

On May 22, 2019, the Chancellor approved this project for Definition Phase as the Renovate Main Building ORs 28, 29, and 30 project.

Project Description

The proposed project will renovate two surgical areas located on Floor 5 of the Albert B. and Margaret M. Alkek Hospital within the institution's Main Building complex. The project will involve extensive renovation to be completed in two phases. Phase 1 is to include the complete demolition of operating rooms (ORs) 28, 29, & 30, and adjacent areas in order to provide a new intraoperative MRI (Magnetic Resonance Imaging) suite and two general operating rooms that will ultimately replace the existing functions. Phase 2 is to include the complete demolition of the existing space, in order to construct space for three new robotics-equipped ORs.

The project is being implemented to create less congested operating rooms and to provide a more permanent location for OR equipment to reduce the risks associated with relocating from one OR to another. This project will support the institution's efforts to optimize the layout and use of this area of the surgical floor.

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. Pursuant to a Memorandum of Understanding effective September 1, 2020, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

The University of Texas M. D. Anderson Cancer Center
Renovate ioMRI Suites and Robot Row - Main Building - Floor 5

Project Information

Project Number	703-1179
CIP Project Type	Repair and Rehabilitation
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution's Project Advocate	Abigail Caudle, M.D. Vice President for Procedural Medical Operations
Project Delivery Method	Design/Build
Gross Square Feet (GSF)	5,760

Project Funding

	Proposed
Hospital Revenues	$26,000,000
Total Project Cost	$26,000,000

Project Cost Detail

	Cost
Building Cost	$14,720,300
Fixed Equipment	4,255,600
Site Development	-
Furniture and Moveable Equipment	283,700
Institutionally Managed Work	510,700
Architectural/Design Services	1,705,500
Project Management	1,300,000
CIP Support Services	-
Insurance	482,300
Other Professional Fees	141,900
Project Contingency	2,600,000
Other Costs	-
Total Project Cost	$26,000,000

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

The University of Texas M. D. Anderson Cancer Center
Renovate ioMRI Suites and Robot Row - Main Building - Floor 5
(continued)

Project Milestones

Definition Phase Approval	May 2019
Addition to CIP	February 2022
Design Development Approval	March 2022
Construction Notice to Proceed	June 2022
Substantial Completion	January 2024
Final Completion	May 2024

7. U. T. Dallas: Arts and Performance Complex - Athenaeum, Phase I - Amendment of the current Capital Improvement Program to increase total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendation for the Arts and Performance Complex - Athenaeum, Phase I project at The University of Texas at Dallas as follows:

a. amend the current Capital Improvement Program (CIP) to increase the total project from $56,800,000 to $58,344,000;

b. approve design development plans;

c. appropriate funds and authorize expenditure of $58,344,000 with funding of $24,544,000 from Revenue Financing System (RFS) Bond Proceeds and $33,800,000 from Gifts; 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 $24,544,000.

BACKGROUND INFORMATION

Debt Service

The $24,544,000 in RFS debt will be repaid from institutional funds. Annual debt service on the $24,544,000 in RFS debt is expected to be $1.37 million. The institution's Scorecard Rating of 2.7 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On August 12, 2019, the Chancellor approved this project for Definition Phase. On

November 18, 2021, the project was included in the CIP with a total project cost of $56,800,000 with funding of $33,800,000 from Gifts and $23,000,000 from RFS Bond Proceeds.

Project Description

The Arts and Performance Complex is a planned arts district to include a museum, performance hall, parking garage, and a future gallery building. The Athenaeum, Phase I project will house the Trammell and Margaret Crow Museum of Asian Art, along with other galleries, offices, seminar rooms, and space for art storage and conservation. Additionally, the facility is intended to house the Edith O'Donnell Institute of Art History, the Dr. Brettell library collection, and gallery space for visiting exhibits.

Establishing the Athenaeum as part of the campus gateway, the two-story facility will be sited south of the Naveen Jindal School of Management building, and to the east of University Parkway. Future projects will be presented to the Board as developed.

The proposed increase in total project cost is attributed to increase in material costs and supply chain issues.

The University of Texas at Dallas
Arts and Performance Complex – Athenaeum, Phase I

Project Information

Project Number	302-1254
CIP Project Type	New Construction
Facility Type	Other
Management Type	Office of Capital Projects
Institution's Project Advocates	Amy Hofland, Sr. Director, Crow Museum of Asian Art Calvin D. Jamison, VP Facilities and Economic Dev. Rafael Martin, VP and Chief of Staff Inga H. Musselman, Provost and VP Academic Affairs
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	68,459

Project Funding

	Current	Proposed
Gifts[1]	$33,800,000	$33,800,000
Revenue Financing System Bond Proceeds[2]	23,000,000	24,544,000
Total Project Cost	$56,800,000	$58,344,000

[1]Gifts are not fully collected or committed at this time; however, U. T. Dallas has operating reserves to cover any shortfall.
[2] RFS funds to be repaid from institutional funds

Project Cost Detail

	Cost
Building Cost	$41,938,206
Fixed Equipment	-
Site Development	2,415,000
Furniture and Moveable Equipment	500,000
Institutionally Managed Work	850,000
Architectural/Design Services	4,766,177
Project Management	1,700,000
CIP Support Services	500,000
Insurance	933,500
Other Professional Fees	1,350,080
Project Contingency	1,201,264
Other Costs	2,189,773
Total Project Cost	$58,344,000

The University of Texas at Dallas
Arts and Performance Complex – Athenaeum, Phase I
(continued)

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

Arts and Performance Complex – Athenaeum, Phase I	$612
Museum/Performing Arts in Dallas (Regional Cost Data)	$668-$835

	Low Quartile	Median	High Quartile
Other U. T. System Projects	$785	$1,263	$1,954
Other National Projects	$414	$746	$1,058

Investment Metric

- Assume stewardship of art collections by 2024

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	No
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	August 2019
Addition to CIP	November 2021
Design Development Approval	February 2022
Construction Notice to Proceed	July 2022
Substantial Completion	March 2024
Final Completion	April 2024

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years
Building Systems: 25 years
Interior Construction: 25 years

8. U. T. Medical Branch - Galveston: John Sealy Hospital Modernization Phase III - Amendment of the current Capital Improvement Program to increase total project cost; approval to revise funding sources; appropriation of funds; and resolution regarding parity debt

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Interim Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the John Sealy Hospital Modernization Phase III project at The University of Texas Medical Branch at Galveston as follows:

a. amend the current Capital Improvement Program (CIP) to increase the total project cost from $54,000,000 to $146,843,178;

b. revise funding sources to include Revenue Financing System (RFS) Bond Proceeds;

c. appropriate funds and authorize expenditure of $146,843,178 with $15,000,000 from Permanent University Fund (PUF) Bond Proceeds, $37,809,985 from Gifts, $34,033,193 from Hospital Revenues and $60,000,000 from RFS Bond Proceeds; 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. Medical Branch - Galveston, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of $60,000,000.

BACKGROUND INFORMATION

Debt Service

The $60,000,000 in RFS debt will be repaid from Hospital Revenues. Annual debt service on the total $60,000,000 RFS debt is expected to be $3.34 million. The institution's Scorecard Rating of 5.3 at fiscal year-end 2021 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On May 21, 2019, the Chancellor approved this project for Definition Phase.
On November 10, 2016, the Board approved an allocation of $15,00,000 in Permanent University Bond (PUF) Bond Proceeds. On May 14, 2019, the Chancellor approved the extension of use of PUF Bond Proceeds through November 2022. On August 15, 2019, the project was included in the Capital Improvement Program with a total project cost of $54,000,000 with funding of $25,000,00 from Gifts, $15,000,000 from PUF Bond Proceeds, and $14,000,000 from Hospital Revenues.

Project Description

The John Sealy Hospital Modernization Phase III project follows a series of expansion and modernization projects. Phase I was completed in 2012, upgrading portions of the interior layout and building systems on several floors. The Phase II scope encompassed the façade replacement and modernization of the AB and EF Wings (9 floors) and CD Wing (4 floors) for women, infants, and children, including the Neonatal Intensive Care Unit (NICU).The facade replacement and modernization of the AB and EF Wings (66% of the project scope) were completed in 2021. After reducing the scope of the Phase II project and mutual agreement to end the relationship with the project's Construction Manager-at-Risk, to move past issues caused by the COVID-19 pandemic, and to accommodate unforeseen cost impacts due to changes in the construction market, UTMB proposes completing the remaining Phase II scope (modernization of the CD Wing with façade replacement) in the Phase III project. This proposed total project cost change will address that scope and also include the transfer of approximately $3,000,000 of purchased equipment and materials from Phase II to Phase III. This scope will now be called Phase IIIA and encompasses the remaining 34% of the women, infants, and children, including NICU expansions. This portion of the project will include 42,385 gross square feet of shell space that will provide updated infrastructure and code compliance features but will not be fully built-out.

Phase IIIB will include the addition of an inpatient rehabilitation unit, outpatient behavioral health services, the relocation and expansion of cancer services and renovated physician sleep rooms. This combined project (Phase III A and B) modernizes Levels 3, 5, 6, 7, 8, 9, 10 and 12 of John Sealy Hospital (JSH), and Level 8 of John Sealy Annex (JSA).

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. Pursuant to Board of Regents approval on September 1, 2020, UTMB has delegated authority for institutional management of construction projects; this project will proceed under institutional management, with additional participation, oversight, and regular reporting to the Office of Capital Projects.

The University of Texas Medical Branch at Galveston
John Sealy Hospital Modernization Phase III

Project Information

Project Number	601-1100
CIP Project Type	Repair and Rehabilitation
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution's Project Advocate	Rebecca Korenek, EVP, Business Development and Chief Strategy Officer
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	214,783
Shell Space (GSF)	42,385

Project Funding

	Current	Proposed
Permanent University Fund Bond Proceeds[1]	$15,000,000	$15,000,000
Gifts[2]	25,000,000	37,809,985
Hospital Revenues	14,000,000	34,033,193
Revenue Financing System Bond Proceeds[3]	0	$60,000,000
Total Project Cost	$54,000,000	$146,843,178

[1] Permanent University Fund (PUF) Bond Proceeds were approved by the Board in November 2016
[2] Gifts are not fully collected or committed at this time; any shortfall will be replaced by operating reserves.
[3] Revenue Financing System (RFS) Bond Proceeds to be repaid with Hospital Revenues

Project Cost Detail

	Cost
Building Cost (Total)	$98,232,748
John Sealy Hospital (R&R)	82,597,698
Exterior Façade replacement	10,754,127
Exterior Entrance Canopy replacement	693,900
Additional square footage to each floorplate (New Construction)	4,187,023
Fixed Equipment	117,600
Site Development	8,463,384
Furniture and Moveable Equipment	9,853,057
Institutionally Managed Work	6,179,198
Architectural/Design Services	6,632,315
Project Management	3,549,135
CIP Support Services	-
Insurance	5,477,730
Other Professional Fees	2,554,000
Project Contingency	5,784,010
Other Costs	-
Total Project Cost	$146,843,178

The University of Texas Medical Branch at Galveston
John Sealy Hospital Modernization Phase III
(continued)

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	May 2019
Addition to CIP	August 2019
Design Development Approval	August 2022
Construction Notice to Proceed	March 2023
Substantial Completion	September 2024
Final Completion	December 2025