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**Committee Meeting:** 5/2/2012

**Board Meeting:** 5/3/2012  
Austin, Texas

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

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| <b>Convene</b>  | 4:30 p.m.<br><i>Chairman Gary</i>                     |                      |             |
| 1. <b>U. T. System Board of Regents: Review of Consent Agenda items, if any, referred for Committee consideration</b>   | 4:30 p.m.<br><b>Action</b>                            | <b>Action</b>        | <b>160</b>  |
| <b><u>Additions to the CIP</u></b>  |   |                      |             |
| 2. <b>U. T. Austin: Jester East Lobby Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)</b>   | 4:35 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i>    | <b>Action</b>        | <b>161</b>  |
| 3. <b>U. T. Dallas: Parking Structure Phase III - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)</b>   | 4:40 p.m.<br><b>Action</b><br><i>President Daniel</i> | <b>Action</b>        | <b>163</b>  |
| 4. <b>U. T. Pan American: Academic and Administration Building Addition - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)</b>   | 4:50 p.m.<br><b>Action</b><br><i>President Nelsen</i> | <b>Action</b>        | <b>164</b>  |
| 5. <b>U. T. Permian Basin: Nursing Program Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; approval of transfer of funds from FY 10 LERR New Nursing Program; approval of reduction of total project cost for FY 10 LERR New Nursing Program; appropriation of funds; and authorization of institutional management (Final Board approval)</b> | 5:00 p.m.<br><b>Action</b><br><i>Mr. O'Donnell</i>    | <b>Action</b>        | <b>165</b>  |

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| 6. <b>U. T. M. D. Anderson Cancer Center: Cord Blood Bank Lab and Office Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)</b> | <i>5:05 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>167</b>  |
| <b><u>Design Development Approval</u></b>  |   |                      |             |
| 7. <b>U. T. Dallas: Parking Structure Phase I - Approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt (Final Board approval)</b>   | <i>5:10 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>169</b>  |
| 8. <b>U. T. San Antonio: Academic and Administrative Office Building - Approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)</b>  | <i>5:15 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>171</b>  |
| 9. <b>U. T. M. D. Anderson Cancer Center: The Pavilion - Amendment of the FY 2012-2017 Capital Improvement Program to increase total project cost; approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)</b>                            | <i>5:20 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>173</b>  |
| <b><u>Modification to the CIP</u></b>  |   |                      |             |
| 10. <b>U. T. M. D. Anderson Cancer Center: Mid-Campus Building 1 (1MC) Tenant Buildout - Amendment of the FY 2012-2017 Capital Improvement Program to increase the total project cost; and appropriation of additional funds (Final Board approval)</b>  | <i>5:25 p.m.</i><br><b>Action</b><br><i>Mr. O'Donnell</i> | <b>Action</b>        | <b>175</b>  |
| <b>Adjourn</b>   | <i>5:30 p.m.</i>  |                      |             |

1. **U. T. System Board of Regents: Review of Consent Agenda items, if any, referred for Committee consideration**

(The proposed Consent Agenda is at the end of the book.)

**2. U. T. Austin: Jester East Lobby Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs ad interim, the Executive Vice Chancellor for Business Affairs, and President Powers that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the Jester East Lobby Renovation project of The Beauford H. Jester Center at The University of Texas at Austin as follows:

**Project No.:** 102-708  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals  
**Substantial Completion Date:** February 2013  
**Total Project Cost:**

|   |                 |
|---|-----------------|
| <u>Source</u>                               | <u>Proposed</u> |
| Auxiliary Enterprises Balances <sup>1</sup> | \$5,000,000     |

**Funding Notes:** <sup>1</sup>Auxiliary Enterprises Balances from Division of Housing and Food Services Auxiliary Balances (Reserve and Operating Account)

- a. approve a total project cost of \$5,000,000 with funding from Auxiliary Enterprises Balances;
- 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 Jester East Lobby will be remodeled and given a new visual identity. The renovation will provide improved academic study space, as well as better customer service for students, staff, and visitors who live in and visit the complex. The lobby footprint will be expanded by approximately 3,274 gross square feet to accommodate two new large student study areas; one will be enclosed for quiet study, and the second will be an open area for informal study. Accessible Resident Hall Association offices will be incorporated into the renovation, as well as an information desk with adjacent staff offices at the entry to assist visitors and students.

Living on campus is conducive to academic achievement and enhances the student university experience and personal growth. Students have expressed a preference for lobby improvements because of the image and identity afforded the residential tower. The East Lobby has not been updated since 1969, and renovations are necessary for on-campus student housing assets to remain competitive with the private sector.

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, and as it requires extensive coordination with the building occupants.

**3. U. T. Dallas: Parking Structure Phase III - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)**

RECOMMENDATION

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs ad interim, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the Parking Structure Phase III project at The University of Texas at Dallas as follows:

|                                     |   |                   |
|-------------------------------------|---|-------------------|
| <b>Project No.:</b>                 | 302-710   |                   |
| <b>Project Delivery Method:</b>     | Competitive Sealed Proposals                        |                   |
| <b>Substantial Completion Date:</b> | December 2015                                       |                   |
| <b>Total Project Cost:</b>          | <u>Source</u>                                       | <u>Current</u>    |
|                                     | Revenue Financing System Bond Proceeds <sup>1</sup> | \$12,000,000      |
|                                     | Auxiliary Enterprises Balances <sup>2</sup>         | \$ 2,500,000      |
|                                     | Unexpended Plant Funds <sup>3</sup>                 | <u>\$ 500,000</u> |
|                                     |   | \$15,000,000      |

**Funding Notes:** <sup>1</sup>Revenue Financing System debt is proposed to be repaid from parking fees  
<sup>2</sup>Auxiliary Enterprises Balances are from parking fees  
<sup>3</sup>Unexpended Plant Funds are from balance of funds from project close-out

**Investment Metric:** This project will directly support the University's Strategic Plan Imperative of adding 5,000 full-time equivalent students by 2017, creating a total student population of 21,000.

BACKGROUND INFORMATION

This project will consist of two separate elements: a replacement surface parking lot will be constructed at the intersection of Rutford Avenue and Synergy Park Boulevard to provide approximately 410 spaces compensating for the 260 spaces eliminated from existing parking lots to make way for the Bioengineering and Sciences Buildings; and an approximately 750 space precast concrete parking garage will be constructed on the north side of campus at the intersection of Loop Road and Rutford Avenue. Additionally, a police substation, administrative offices, retail outlets, and an information center are also planned within the parking garage.

With rapidly accelerated growth in student enrollment and associated increases in faculty and staff, U. T. Dallas has a growing need for additional parking on campus. This parking structure will accommodate parking for the Bioengineering and Sciences Building, the Natural Science and Engineering Research Laboratory, and the academic buildings along Rutford Avenue. The parking structure is aligned with the current Campus Site Development Plan.

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. Pan American: Academic and Administration Building Addition - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs ad interim, the Executive Vice Chancellor for Business Affairs, and President Nelsen that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the Academic and Administration Building Addition project at The University of Texas-Pan American as follows:

|                                     |   |                 |
|-------------------------------------|---|-----------------|
| <b>Project No.:</b>                 | 901-712                                 |                 |
| <b>Project Delivery Method:</b>     | Construction Manager-at-Risk            |                 |
| <b>Substantial Completion Date:</b> | June 2014                               |                 |
| <b>Total Project Cost:</b>          | <u>Source</u>                           | <u>Proposed</u> |
|                                     | Higher Education Assistance Fund (HEAF) | \$ 7,140,000    |
|                                     | Unexpended Plant Funds <sup>1</sup>     | \$ 4,760,000    |
|                                     |   | \$11,900,000    |

**Funding Note:** <sup>1</sup>Unexpended Plant Funds are from Designated Tuition

- Investment Metrics:**
- Increase freshman to junior retention by 1% per year from 2015 to 2018
  - Increase classroom space to provide 128 additional instructional sections to be taught in the general classrooms

**BACKGROUND INFORMATION**

The project will add approximately 40,000 gross square feet to the existing Marialice Shary Shivers Administration Building for the new University College, general classrooms, administration and faculty offices, and support space. Currently, administration and compliance functions are scattered throughout the campus.

U. T. Pan American is working to establish a new University College that will focus on providing entering undergraduate students with a smooth and successful transition to college life by unifying the support services and resources necessary for students to succeed. University College space will include general classroom space and all administrative offices necessary for the functioning of the college including: a teaching and learning center to support successful undergraduate learning and faculty teaching development; staff office space for administering undergraduate programs that are focused on undergraduate success, including grant-funded success projects; and conference space. Additional space will focus on core curriculum classes for the general student population to reduce the time required for student graduation.

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

**5. U. T. Permian Basin: Nursing Program Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; approval of transfer of funds from FY 10 LERR New Nursing Program; approval of reduction of total project cost for FY 10 LERR New Nursing Program; appropriation of funds; and authorization of institutional management (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Academic Affairs ad interim, the Executive Vice Chancellor for Business Affairs, and President Watts that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the Nursing Program Renovation project at The University of Texas of the Permian Basin as follows:

**Nursing Program Renovation**

**Project No.:** 501-714  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals  
**Substantial Completion Date:** June 2012  
**Total Project Cost:**

| <u>Source</u>                           | <u>Current</u> | <u>Proposed</u>   |
|---|----------------|-------------------|
| Permanent University Fund Bond Proceeds | \$0            | \$1,499,000       |
| Gifts                                   |                | <u>\$ 200,000</u> |
|   |                | \$1,699,000       |

**FY 10 Library, Equipment, Repair and Rehabilitation (LERR) New Nursing Program**

**Project No.:** 501-685  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Competitive Sealed Proposals  
**Substantial Completion Date:** June 2012  
**Total Project Cost:**

| <u>Source</u>                           | <u>Current</u> | <u>Proposed</u> |
|---|----------------|-----------------|
| Permanent University Fund Bond Proceeds | \$283,000      | \$0             |

- a. approve a total project cost of \$1,699,000 with funding of \$1,499,000 from Permanent University Fund (PUF) Bond Proceeds and \$200,000 from Gifts;
- b. approve the transfer of funding of \$283,000 from PUF Bond Proceeds from the FY 10 LERR New Nursing Program project;
- c. reduce the total project cost for the FY 10 LERR New Nursing Program project from \$283,000 to \$0;
- d. appropriate funds; and
- e. authorize U. T. Permian Basin to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.



## BACKGROUND INFORMATION

### Previous Board Actions

FY 10 LERR - On August 20, 2009, the Board approved the allocation of PUF Bond Proceeds for the Swimming Pool Enclosure project in the amount of \$283,000. On August 25, 2011, the Board approved the transfer of \$283,000 from the Swimming Pool Enclosure project to the New Nursing Program project.

### Project Description

This project will renovate approximately 8,233 gross square feet of the third floor of the Mesa Building to provide laboratories and instructional facilities for the proposed Bachelor of Science in Nursing program, which is pending Texas Higher Education Coordinating Board approval. Renovations will include installation of a sprinkler system in the Nursing Program space to meet current fire code requirements, as well as adequate water supply and standpipe systems to allow for the future installation of a sprinkler system for the remainder of the building in the future. Modifications to the Mesa Building infrastructure systems, including heating, ventilation, and air conditioning (HVAC) and security, will be included.

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. Permian Basin Facility Management personnel who have the experience and capability to manage all aspects of the work.

**6. U. T. M. D. Anderson Cancer Center: Cord Blood Bank Lab and Office Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President DePinho that the U. T. System Board of Regents amend the FY 2012-2017 Capital Improvement Program (CIP) to include the Cord Blood Bank Lab and Office Renovation project at The University of Texas M. D. Anderson Cancer Center as follows:

**Project No.:** 703-X59  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Design Build  
**Substantial Completion Date:** February 2013  
**Total Project Cost:**

|                   |                |
|-------------------|----------------|
| <u>Source</u>     | <u>Current</u> |
| Hospital Revenues | \$5,100,000    |

- a. approve a total project cost of \$5,100,000 with funding from Hospital Revenues;
- b. appropriate funds; and
- c. authorize U. T. M. D. Anderson Cancer Center to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

**BACKGROUND INFORMATION**

**Project Description**

This project will renovate approximately 18,000 gross square feet in the recently purchased building at 1841 Old Spanish Trail to serve as the new location of U. T. M. D. Anderson's Cord Blood Bank (CBB) program. The CBB program is mandated through the institution's Health Resources and Services Administration (HRSA) contract to obtain a Biologics License (BLA) from the Food and Drug Administration (FDA) for transplantation use. The present location for the CBB Processing Laboratory does not meet BLA requirements, and current office space for the CBB is also unacceptable for the BLA. This building was deemed an acceptable site for the CBB's labs and offices; however, renovation is required to meet program needs and FDA requirements.

The total project cost of this project was originally estimated at \$3,960,000. Because of the number of FDA requirements, especially in the area of mechanical redundancy, a reevaluation of the project resulted in an increase in total project cost, requiring the project to be added to the CIP and receive Board approval.

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction. Design development plans and authorization of expenditure of funding will be approved by the President at a later date.

**7. U. T. Dallas: Parking Structure Phase I - 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 ad interim, the Executive Vice Chancellor for Business Affairs, and President Daniel that the U. T. System Board of Regents approve the recommendations for the Parking Structure Phase I project at The University of Texas at Dallas as follows:

|                                     |   |                     |
|-------------------------------------|---|---------------------|
| <b>Project No.:</b>                 | 302-680   |                     |
| <b>Project Delivery Method:</b>     | Competitive Sealed Proposals                        |                     |
| <b>Substantial Completion Date:</b> | August 2013   |                     |
| <b>Total Project Cost:</b>          | <u>Source</u>                                       | <u>Current</u>      |
|                                     | Revenue Financing System Bond Proceeds <sup>1</sup> | \$ 9,400,000        |
|                                     | Auxiliary Enterprises Balances <sup>2</sup>         | \$ 1,000,000        |
|                                     | Unexpended Plant Funds <sup>3</sup>                 | <u>\$ 1,000,000</u> |
|                                     |   | \$11,400,000        |

**Funding Notes:**

<sup>1</sup> Revenue Financing System debt is proposed to be repaid from parking revenues  
<sup>2</sup> Auxiliary Enterprises Balances are from parking revenues  
<sup>3</sup> Unexpended Plant Funds are from balance of funds from project close-out

**Investment Metric:** This project will directly support the University's Strategic Plan Imperative of adding 5,000 full-time equivalent students by 2017, creating a total student population of 21,000.

- a. approve design development plans;
- b. appropriate funds and authorize expenditure of \$11,400,000 with funding of \$9,400,000 from Revenue Financing System Bond Proceeds, \$1,000,000 from Auxiliary Enterprises Balances, and \$1,000,000 from Unexpended Plant Funds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
  - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
  - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
  - U. T. 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 \$9,400,000.

## BACKGROUND INFORMATION

### Debt Service

The \$9,400,000 in aggregate Revenue Financing System debt will be repaid from parking revenues. Annual debt service on the \$9,400,000 Revenue Financing System debt is expected to be \$647,000. The institution's debt service coverage is expected to be at least 1.9 times and average 2.2 times over FY 2012-2017.

### Previous Board Action

On November 10, 2011, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$12,000,000 with funding of \$10,000,000 from Revenue Financing System Bond Proceeds, \$1,000,000 from Auxiliary Enterprises Balances, and \$1,000,000 from Unexpended Plant Funds. On January 26, 2012, the Chancellor approved a decrease in the total project cost from \$12,000,000 to \$11,400,000 with funding of \$600,000 from Revenue Financing System Bond Proceeds transferred to the Utility Infrastructure Improvements portion of the Arts and Technology Complex project.

### Project Description

This project consists of a 750-space parking garage of approximately 251,000 gross square feet. The garage will be five levels and constructed of precast concrete to match the adjacent satellite utility plant and will be tied to the west wall of that structure.

With rapidly accelerated growth in student enrollment and associated increases in faculty and staff, U. T. Dallas has a growing need for additional parking on campus. This parking structure will accommodate parking for the School of Management and the new Arts and Technology Complex, including the new 1,200-seat lecture hall. The parking structure is aligned with the current Campus Site Development Plan.

### Basis of Design

The planned building life expectancy is 50-75 years.

The exterior appearance and finish are consistent with similar urban parking garages and are consistent with the existing Campus Master Plan.

**8. U. T. San Antonio: Academic and Administrative Office 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 Academic Affairs ad interim, the Executive Vice Chancellor for Business Affairs, and President Romo that the U. T. System Board of Regents approve the recommendations for the Academic and Administrative Office Building project at The University of Texas at San Antonio as follows:

|                                     |   |                      |
|-------------------------------------|---|----------------------|
| <b>Project No.:</b>                 | 401-645                                 |                      |
| <b>Project Delivery Method:</b>     | Construction Manager-at-Risk            |                      |
| <b>Substantial Completion Date:</b> | August 2014                             |                      |
| <b>Total Project Cost:</b>          | <u>Source</u>                           | <u>Current</u>       |
|                                     | Designated Funds <sup>1</sup>           | \$ 6,000,000         |
|                                     | Permanent University Fund Bond Proceeds | \$ 22,250,000        |
|                                     | Unexpended Plant Funds <sup>2</sup>     | \$ 11,750,000        |
|                                     | Interest on Local Funds                 | <u>\$ 10,000,000</u> |
|                                     |   | \$ 50,000,000        |

**Funding Notes:** <sup>1</sup>Designated Funds from Designated Tuition  
<sup>2</sup>Unexpended Plant Funds from Designated Tuition

**Investment Metrics:** By 2014

- Realize savings of approximately \$1,600,000 per year in rent
- Increase efficiency by eliminating time lost commuting between main campus and off-campus leased space
- Reduce current space deficit by increasing classroom and class lab space contributing to Strategy 5 of the Four-Year Graduation Rate Improvement Plan for the campus

- a. approve design development plans; and
- b. appropriate funds and authorize expenditure of \$50,000,000 with funding of \$6,000,000 from Designated Funds, \$22,250,000 from Permanent University Fund Bond Proceeds, \$11,750,000 from Unexpended Plant Funds, and \$10,000,000 from Interest on Local Funds.

**BACKGROUND INFORMATION**

**Previous Board Action**

On August 25, 2011, the Administrative Office Building project was included in the Capital Improvement Program (CIP) with a total project cost of \$21,500,000 with funding from Designated Funds. On February 9, 2012, the Board approved an increase in total project cost to \$50,000,000 with funding of \$22,250,000 from Permanent University Fund Bond Proceeds, \$11,750,000 from Unexpended Plant Funds, \$10,000,000 from Interest on Local Funds, and \$6,000,000 from Designated Funds, and redesignated the project as the Academic and Administrative Office Building.

### Project Description

This project will design and construct a five-story, approximately 175,000 gross square foot (GSF) building to house academic and administrative functions. Administrative offices will house Human Resources, Financial Affairs, Audit, Legal Affairs, Advancement, portions of the Office of Information Technology, and the Admissions and Registrar's offices. The Academic portion of the project will provide approximately 85,000 GSF for classrooms, teaching laboratories, and faculty offices. Furthermore, this area will accommodate the interdisciplinary cybersecurity program, the Center for Infrastructure Assurance and Security (CIAS), and will provide a place for related instruction for students from the Colleges of Business and Sciences. The project scope will also include costs for extensions of, and connections to, site utilities for chilled water service, primary electrical service, and communications infrastructure in support of the current approved Master Plan and future development.

Combining academic and administrative program areas will realize economy in construction and achieve the maximum development value. By relocating administrative functions and CIAS currently housed off campus in leased office space, the University will save approximately \$1,600,000 per year in rent. Additionally, the University will benefit from the improved efficiency resulting from eliminating time lost by administrative personnel commuting between the main campus and off-campus leased space. Finally, increasing classroom and class lab space will support efforts to improve graduation rates.

### Basis of Design

The planned building life expectancy includes the following elements:

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

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

**9. U. T. M. D. Anderson Cancer Center: The Pavilion - Amendment of the FY 2012-2017 Capital Improvement Program to increase total project cost; approval of design development; and appropriation of funds and authorization of expenditure (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President DePinho that the U. T. System Board of Regents approve the recommendations for The Pavilion project at The University of Texas M. D. Anderson Cancer Center as follows:

|                                     |                   |                |                 |
|-------------------------------------|-------------------|----------------|-----------------|
| <b>Project No.:</b>                 | 703-711           |                |                 |
| <b>Project Delivery Method:</b>     | Design Build      |                |                 |
| <b>Substantial Completion Date:</b> | November 2014     |                |                 |
| <b>Total Project Cost:</b>          | <u>Source</u>     | <u>Current</u> | <u>Proposed</u> |
|                                     | Hospital Revenues | \$98,000,000   | \$198,000,000   |

- Investment Metrics:**
- Increase number of admission-recovery-discharge beds from 22 to 42 by 2015
  - Increase number of post-anesthesia care unit beds from 32 to 46 by 2015
  - Increase number of inpatient surgeries, currently limited by shortage of inpatient beds, by 2015
- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to increase the total project cost from \$98,000,000 to \$198,000,000;
  - b. approve design development plans; and
  - c. appropriate funds and authorize expenditure of \$198,000,000 from Hospital Revenues.

**BACKGROUND INFORMATION**

**Previous Board Actions**

On February 12, 2009, the Alkek Surgical and Imaging Expansion project was included in the CIP with a total project cost of \$98,000,000 with funding from Hospital Revenues. On March 15, 2010, the Executive Vice Chancellor for Health Affairs approved the nonhonorific renaming of the project to The Pavilion.



### Project Description

The Pavilion is an eight-story extension of the existing Albert B. and Margaret M. Alkek Tower that will provide immediate adjacency to existing surgical services on Levels 5 and 7 and imaging services on Level 3. To align with the existing Alkek Hospital floors, the new structure will include interstitial floors at Levels 4 and 6 to support the distribution of utilities throughout the facility, as well as a mechanical room on Level 8. The project will provide covered drop-off and circulation for patients and visitors entering the Alkek or Lutheran Hospitals. The inclusion of a basement level will facilitate the expansion of sterile processing and Preoperative Clean Supply to facilitate the growth of the operating rooms. The expansion will be designed to accommodate the structural requirements of a future bed tower to better position the institution to replace the Lutheran Pavilion when it reaches the end of its effective life. The project will include space for 11 new operating rooms, with finish-out of six operating rooms on Level 5 and shell space for five operating rooms on Level 7.

The increase in total project cost is requested to allow M. D. Anderson Cancer Center to combine several additional planned projects with the scope of this project. The added scope of work will renovate the existing hospital Main Building on Levels 5, 3, and the basement to align support services commensurate with the services being provided. Also included will be: Post-Anesthesia Care Unit beds, waiting space and equipment storage, relocation and expansion of staff support areas, reconfiguration of the existing generators that provide emergency power to the Alkek Hospital and the Clinical Research Building, and the procurement of major medical equipment associated with the operating rooms of The Pavilion and renovations on Levels 5 and 3 of the Main Building.

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority for institutional management of construction projects under the continued oversight of the Office of Facilities Planning and Construction.

### Basis of Design

The planned building life expectancy includes the following elements:

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

The exterior appearance and finish are consistent with existing campus and Texas Medical Center buildings and are aligned with the Campus Master Plan. The mechanical and electrical building systems are designed with sufficient flexibility and space for future capacity to allow for changes without significant disruption to ongoing activities. The interior appearance and finish are consistent with other research facilities in similar use.

**10. U. T. M. D. Anderson Cancer Center: Mid-Campus Building 1 (1MC) Tenant Buildout - Amendment of the FY 2012-2017 Capital Improvement Program to increase the total project cost; and appropriation of additional funds (Final Board approval)**

**RECOMMENDATION**

The Chancellor concurs with the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President DePinho that the U. T. System Board of Regents approve the recommendations for the Mid-Campus Building 1 (1MC) Tenant Buildout project at The University of Texas M. D. Anderson Cancer Center as follows:

**Project No.:** 703-X56  
**Institutionally Managed:** Yes  No   
**Project Delivery Method:** Design Build  
**Substantial Completion Date:** September 2013  
**Total Project Cost:**

|                   |                |                 |
|-------------------|----------------|-----------------|
| <u>Source</u>     | <u>Current</u> | <u>Proposed</u> |
| Hospital Revenues | \$51,000,000   | \$60,000,000    |

- a. amend the FY 2012-2017 Capital Improvement Program (CIP) to increase the total project cost from \$51,000,000 to \$60,000,000; and
- b. appropriate additional funding of \$9,000,000 from Hospital Revenues.

**BACKGROUND INFORMATION**

**Previous Board Action**

On August 25, 2011, the project was added to the CIP with a total project cost of \$51,000,000 with funding from Hospital Revenues.

**Project Description**

The 1MC Building is U. T. M. D. Anderson's first facility located in the Mid-Campus area. It was constructed to provide office space for employees currently located on the Main Campus and in various lease sites, as well as new incremental space to support institutional growth projections. The original scope of the project proposed the build-out of shelled Floors 11 through 16 in the 1MC Building for occupancy by employees currently housed in the Priority 3 leases. The proposed increase in total project cost includes the build-out of Floor 17 within the scope of the project.

Employees previously housed in the Priority 1 leases began moving into the 1MC Building during June 2011. More than 1,000 tenants are vacating lease space and relocating into the 1MC Building as part of the Priority 1 lease expirations. Beginning January 2012, 510 employees will be moving into the building with the expiration of the Priority 2 leases. The build-out of Floors 11-17 will provide space for employees currently housed in Priority 3

leased space and will provide space for specified departments moving from the T. Boone Pickens Academic Tower. A total of 1,970 tenants are expected to occupy the floors upon completion. Floors 18-24 will be shelled for future build-out.

Design development plans and authorization of expenditure of funding will be approved by the President at a later date.