

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE
Committee Chairman Clements

Date: August 9, 2001
Time: Following the Meeting of the Health Affairs Committee
Place: Bluebonnet Ballroom South, E.H. Hereford University Center,
U. T. Arlington

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1. U. T. Arlington - University Village West Apartments (Project No. 301-076): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, and President Witt that the U. T. Board of Regents:

- a. Approve design development plans for the University Village West Apartments at U. T. Arlington
- b. Approve evaluation of alternative energy economic feasibility
- c. Approve a total project cost of \$8,804,000
- d. Appropriate funds and authorize expenditure of \$8,804,000 from Revenue Financing System Bond Proceeds.

The Chancellor also concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that, in compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 116, the U. T. Board of Regents resolves that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt

- b. 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. Board of Regents relating to the Financing System
- c. 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. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$8,804,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

BACKGROUND INFORMATION

The University Village West Apartments project at U. T. Arlington is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$8,804,000 with funding from Revenue Financing System Bond Proceeds.

The project includes construction of an apartment complex consisting of 115,440 gross square feet, capable of housing 250 students, and includes a commons building, swimming pool, and related site improvements.

There is a strong demand for additional university-owned and operated apartment units on the campus. At the beginning of the Fall Semester 2000, there was a waiting list of over 1,000 students for the existing apartments that have averaged between 98 and 100% occupancy over the last two years. The project includes five, three-story buildings having 24 units each for a total of 120 units. These 120 units will include 168 bedrooms and a mix of 60% one-bedroom units and 40% two-bedroom units.

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

The debt is to be repaid from revenues generated by existing housing, which currently consists of 16 apartment complexes, and from revenues from the University Village West Apartments projected to be operational for the Fall Semester of FY 2003. Annual debt service during the construction period is projected to be \$194,080 in FY 2002 assuming a 4.5% short-term borrowing rate. The annual debt service is projected to be \$767,573 starting FY 2003, based on a 6% long-term borrowing rate with a 20-year amortization period. The annual debt service coverage on the project is expected to be at least 1.2 times, and overall debt service coverage for the component is expected to be at least 1.6 times. The financing forecast for this project is set forth on Page 117.

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

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Assistant Vice Chancellor for Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the University Village West Apartments at U. T. Arlington, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution as amended, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution as amended.

EXECUTED this 19th day of July, 2001

/s/ Philip Aldridge

Assistant Vice Chancellor for Finance

2. U. T. Austin - Library Storage Facility (Project No. 102-016): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; and Appropriation of Funds and Authorization of Expenditure

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, and President Faulkner that the U. T. Board of Regents:

- a. Approve design development plans for the Library Storage Facility project at U. T. Austin
- b. Approve evaluation of alternative energy economic feasibility
- c. Approve a total project cost of \$4,800,000
- d. Appropriate funds and authorize expenditure of \$500,000 from Permanent University Fund (PUF) Bond Proceeds and \$4,300,000 from Designated Tuition.

BACKGROUND INFORMATION

The Library Storage Facility project at U. T. Austin is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$4,300,000 with funding of \$500,000 from PUF Bond Proceeds and \$3,800,000 from Designated Tuition. The total project cost is recommended to increase to \$4,800,000 with additional funding of \$500,000 from Designated Tuition to upgrade the fire and life safety conditions for the existing facility to provide a code compliant sprinkler system. Additionally, this phase is being increased to provide for administrative and mechanical infrastructure in the most cost effective manner in anticipation of a future phase.

This project will add approximately 12,000 gross square feet to the existing Library Storage Facility located at the J. J. Pickle Research Campus (PRC). The additional space will allow materials to be moved from the main campus libraries to provide additional library seating for students, will allow more efficient shelving of new materials, and will provide additional space for The University of Texas Press inventory. It will also enable the Center for American History, the Harry Ransom Humanities Research Center, the Alexander Architectural Archive, and other facilities to continue to attract, acquire, and house primary archival and manuscript research materials for faculty and student use and permit the Balcones Library Service Center to be moved from the PRC Commons building to the Library Storage Facility addition. This move will allow the PRC Commons to reconfigure its meeting facilities and operate more effectively.

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

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

3. U. T. El Paso - Student Housing (Project No. 201-009): Request for Approval to Redesignate Project and Name Individual Buildings (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Naming of Facilities and Other Entities)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, the Vice Chancellor for Development and External Relations, and President Natalicio that the U. T. Board of Regents approve the redesignation of the Student Housing project at U. T. El Paso as the Miner Village and name the individual buildings in the apartment complex as Capitan, Chisos, Davis, Del Norte, Eagle, Franklin, Guadalupe,

Hueco, Indio, Mimbres, Sacramento, and Tinaja. The proposed name for the main building containing the housing office, study rooms, and social rooms is Summit.

BACKGROUND INFORMATION

The Student Housing project at U. T. El Paso is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a total project cost of \$15,000,000 with funding from Revenue Financing System Bond Proceeds.

The complex will accommodate a total of 428 undergraduate and graduate students in 12 apartment-style buildings. Construction is on schedule, with occupancy anticipated in Fall 2001. The recommendation to name the apartment complex the Miner Village reflects the mining tradition of the area and proposed building namings reflect names of mountain ranges in the El Paso region.

These namings are consistent with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, and institutional guidelines on the naming of buildings.

4. U. T. Tyler - Nursing Building (Project No. 802-074): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; and Appropriation of Funds and Authorization of Expenditure

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, and President Mabry that the U. T. Board of Regents:

- a. Approve design development plans for the Nursing Building at U. T. Tyler

- b. Approve evaluation of alternative energy economic feasibility
- c. Approve a total project cost of \$7,300,000
- d. Appropriate funds and authorize expenditure of \$4,800,000 from Permanent University Fund (PUF) Bond Proceeds and \$2,500,000 from Gifts and Grants.

BACKGROUND INFORMATION

The Nursing Building project at U. T. Tyler is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$7,300,000 with funding of \$4,800,000 from PUF Bond Proceeds and \$2,500,000 from Gifts and Grants.

The project involves construction of a new building for the College of Nursing to house academic classrooms, laboratories, and offices. The nursing program has outgrown the existing space. The College of Nursing consistently denies admission to large numbers of qualified nursing students due to space limitations. A new nursing building will allow U. T. Tyler to move the College of Education and Psychology out of the Student University Center into space vacated by the College of Nursing. Space is needed in the Student University Center to accommodate student services for growing numbers of freshman and sophomore students.

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

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

5. U. T. Tyler - Longview University Center: Request for Acceptance of Gift Funds for an Outdoor Work of Art for Neal and Peggy Garland Hall (Regents' Rules and Regulations, Part Two, Chapter I, Section 1, Subsection 1.2) and Approval for Related Honorific Naming

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs, and President Mabry that the U. T. Board of Regents accept a gift of \$35,000 to purchase an outdoor sculpture for the Neal and Peggy Garland Hall at The University of Texas at Tyler - Longview University Center from Mr. John Robbins, Mrs. Betty Robbins Lloyd, and Mrs. Dorothy Robbins Kennedy.

It is further recommended that the courtyard where the statue will be placed be named the Robbins, Lloyd, Kennedy Family Courtyard in recognition of the gift.

BACKGROUND INFORMATION

The proposed gift of an outdoor sculpture depicts a student made from bronze by Mrs. Dorothy Robbins Kennedy of Longview, Texas. The gift of \$35,000 will be used to fund the making of the statue and U. T. Tyler will pay the \$12,000 cost for shipping and installation of the statue. Acceptance of this gift is consistent with the Regents' Rules and Regulations, Part Two, Chapter I, Section 1, Subsection 1.2, relating to gifts to the U. T. System.

The recommended honorific naming of the outdoor courtyard space would normally be submitted for approval as a Docket item, but because of its relation to the gift acceptance, is presented for approval via the agenda.

6. U. T. Southwestern Medical Center - Dallas - Student Services Building (Project No. 303-008): Request for Approval to Name Facility (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.3, Honorific Namings)

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Wildenthal that the U. T. Board of Regents name the Student Services Building at U. T. Southwestern Medical Center - Dallas as The Bryan Williams, M.D., Student Center to recognize the significant contributions and commitment of Dr. Bryan Williams to the campus.

BACKGROUND INFORMATION

The Student Services Building at U. T. Southwestern Medical Center - Dallas is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$10,920,000, with funding of \$8,000,000 from Gifts and Grants and \$2,920,000 from Interest on Local Funds.

The new construction is comprised of a 43,000 gross square foot building for student recreation and health and will contain a gym, a cardiovascular exercise area, an aerobics room, racquetball courts, a jogging track, and support areas.

Dr. Bryan Williams has served the students at U. T. Southwestern Medical Center - Dallas for over thirty years. More than one-half of all alumni graduated during his tenure as Associate Dean for Student Affairs from 1970-1990. He continued to nurture students for the next five years as Associate Dean for Alumni Affairs, and even in retirement, Dr. Williams has been an unwavering advocate for students.

As a charter member of the Institute of Medicine of the National Academy of Sciences, Dr. Williams was the first U. T. Southwestern Medical Center faculty member to be so honored. He has served as Chairman of the Board of Governors of the

American College of Physicians and is a Fellow in the Royal Society of Medicine. Dr. Williams has long served the community in many civic capacities including the Dallas Grand Opera Association, the Dallas Museum of Art and the Dallas Symphony Association. His support of students' exploration and expression of interests outside of medicine was constant whether those interests were artistic, intellectual, recreational, or athletic.

The naming of The Bryan Williams, M.D., Student Center is consistent with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.3, and institutional guidelines on the naming of facilities in honor of and in appreciation of the support and generosity of Dr. Bryan Williams.

7. U. T. Health Science Center - Houston - School of Nursing and Student Community Center (Project No. 701-967): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Willerson that the U. T. Board of Regents:

- a. Approve design development plans for the School of Nursing and Student Community Center at U. T. Health Science Center - Houston
- b. Approve evaluation of alternative energy economic feasibility
- c. Approve a total project cost of \$63,700,000
- d. Appropriate the remaining funds of \$56,400,000 and authorize expenditure of \$32,500,000 from Revenue Financing

System Bond Proceeds, \$17,500,000 from Tuition Revenue Bond Proceeds, and \$6,400,000 from Gifts and Grants.

The Chancellor also concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that, in compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 127, the U. T. Board of Regents resolves that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. 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. Board of Regents relating to the Financing System
- c. U. T. component institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$50,000,000 (\$32,500,000 from Revenue Financing System Bond Proceeds and \$17,500,000 from Tuition Revenue Bond Proceeds)
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

BACKGROUND INFORMATION

The School of Nursing and Student Community Center project at U. T. Health Science Center - Houston is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$63,700,000 with funding of \$32,500,000 from Revenue Financing System Bond

Proceeds, \$17,500,000 from Tuition Revenue Bond Proceeds, \$10,000,000 from Gifts and Grants, and \$3,700,000 from Unexpended Plant Funds.

On November 12, 1998, the U. T. Board of Regents appropriated \$6,700,000 with funding of \$3,700,000 from Unexpended Plant Funds and \$3,000,000 from Gifts and Grants for the first stage of the project, and on February 15, 2001, funding in the amount of \$600,000 from Gifts and Grants was appropriated for the deconstruction and the renovation work that permits the relocation of staff housed in the Human Genetics Center. Following staff relocation, the second stage of the project commenced with the deconstruction work and some preliminary site and utility work that fully prepared the project site for construction of the new building.

The project will include the construction of 227,000 gross square feet consisting of classrooms, offices, educational media labs, resource areas, and student service and gathering areas.

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

In 1997, the 75th Texas Legislature authorized \$17,500,000 of tuition revenue bonds to be issued to U. T. Health Science Center - Houston for the Nursing and Student Community Center. The debt service coverage for the \$17,500,000 is reflected on Page 128. This project financing assumes interim financing at a 4.5% interest rate for FY 2002 and a 6% interest rate for 20 years with the fixed rate borrowing to occur in FY 2003.

The \$32,500,000 in revenue financing system debt is to be repaid from designated tuition receipts, auxiliary enterprise income, and reserve fund balances of \$1,033,000. The interim revenue financing debt service while the project is under construction is projected to be \$562,500 in FY 2002 and \$1,462,500 in FY 2003 assuming a 4.5% short-term borrowing rate. The annual revenue financing system debt service is projected to be \$2,833,500 based on a 6% interest rate for 20 years with the fixed rate borrowing to occur in FY 2004. The overall debt service coverage for U. T. Health Science Center - Houston is expected to be at least 1.3 times. The financing forecast for this project is set forth on Page 129.

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

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Assistant Vice Chancellor for Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the School of Nursing and Student Community Center at U. T. Health Science Center - Houston, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution as amended, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution as amended.

EXECUTED this 19th day of July, 2001

/s/ Philip Aldridge

Assistant Vice Chancellor for Finance

8. U. T. Health Science Center - San Antonio - Hidalgo County Medical Research Division of the Regional Academic Health Center (Project No. 402-996): Request for Approval of Design Development Plans; Approval of Evaluation of Alternative Energy Economic Feasibility; Approval of Total Project Cost; and Appropriation of Funds and Authorization of Expenditure

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and President Cigarroa that the U. T. Board of Regents:

- a. Approve design development plans for the Hidalgo County Medical Research Division of the Regional Academic Health Center (RAHC) at U. T. Health Science Center - San Antonio
- b. Approve evaluation of alternative energy economic feasibility
- c. Approve a total project cost of \$20,000,000
- d. Appropriate funds and authorize expenditure of \$20,000,000 from Permanent University Fund (PUF) Bond Proceeds.

BACKGROUND INFORMATION

The Hidalgo County Medical Research Division of the RAHC at U. T. Health Science Center - San Antonio is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$20,000,000 with funding from PUF Bond Proceeds.

This project will consist of space and equipment to address medical issues of the Texas-Mexico border region and Lower Rio Grande Valley. This facility will provide the necessary environment to attract major research grants and contracts from pharmaceutical and biotechnology companies as well as federal and State environmental health agencies.

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

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