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HEALTH AFFAIRS COMMITTEE
Committee Chairman Clements

Date: May 8, 2003

Time: Following the Meeting of the Academic Affairs Committee

Place: Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, U. T. System Administration, Austin, Texas

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1. **U. T. M. D. Anderson Cancer Center - Federal Emergency Management Agency (FEMA) 404 Projects: Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Include Project and Authorize Institutional Management**

RECOMMENDATION

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

- a. Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to include the Federal Emergency Management Agency (FEMA) 404 Projects at U. T. M. D. Anderson Cancer Center at a preliminary project cost of \$32,100,000 with funding of \$23,994,413 from FEMA and \$8,105,587 from Hospital Revenues
- b. 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 associated with the FEMA 404 Projects.

BACKGROUND INFORMATION

During 2001, rains from Tropical Storm Allison caused damage to many facilities within the Texas Medical Center. Governor Perry requested federal funding under the Hazard Mitigation Grant Program (HMGP) of the FEMA, and Public Assistance Program for projects that could involve restoration and improvements of internal facility systems and components. U. T. M. D. Anderson Cancer Center applied and received approval for federal assistance.

FEMA approved eight distinct projects. The approved projects are required as part of an effort to protect facilities and equipment from future potential flooding. In particular, the projects involve relocation of critical electrical and mechanical equipment in various buildings, installation of emergency disconnects, and relocation of the medical records transcription offices. These improvements are considered essential to the protection of the facilities from potential damage caused by future floods.

This repair and rehabilitation project would best be managed by the U. T. M. D. Anderson Cancer Center Facilities Management personnel who have the experience and capability to manage all aspects of the work.

This off-cycle project has been approved by U. T. System staff and meets the criteria for inclusion in the Capital Improvement Program.

This project was presented to the Facilities Planning and Construction Committee in April 2003, but was not presented to the Health Affairs Committee in March 2003.

2. **U. T. M. D. Anderson Cancer Center - Federal Emergency Management Agency (FEMA) 406 Projects: Request for Approval to Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to Include Project and Authorize Institutional Management**

RECOMMENDATION

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

- a. Amend the FY 2002-2007 Capital Improvement Program and the FY 2002-2003 Capital Budget to include the Federal Emergency Management Agency (FEMA) 406 Projects at U. T. M. D. Anderson Cancer Center at a preliminary project cost of \$12,000,000 with funding from FEMA and Hospital Revenues
- b. 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 associated with the FEMA 406 Projects.

BACKGROUND INFORMATION

During 2001, rains from Tropical Storm Allison caused damage to many facilities within the Texas Medical Center. Governor Perry requested federal funding under the Hazard Mitigation Grant Program (HMGP) of the FEMA, and Public Assistance Program for projects that could involve restoration and improvements of internal facility systems and components. U. T. M. D. Anderson Cancer Center applied for federal assistance under these programs.

U. T. M. D. Anderson Cancer Center anticipates that FEMA will approve its request for assistance pursuant to the FEMA 406 HMGP. The funding will consist of an anticipated FEMA award in the range of \$6,000,000 to \$8,000,000 with the balance funded from Hospital Revenues. The FEMA 406 Projects are required as part of an effort to protect facilities and equipment from future potential flooding. The FEMA 406 Projects entail the construction of a flood protection wall around three sides of the main campus with floodgates at road crossings. The FEMA 406 Projects include flood-proofing improvements at the wall openings across the front (south) side of the main hospital complex with floodgates at the doors, and glazing and sealing of wall penetrations of the main hospital complex. These measures will provide a primary flood protection barrier up to one foot above the 500-year flood elevation in accordance with FEMA's design guidelines. These improvements are considered essential to the protection of the facilities from potential damage by future floods.

U. T. M. D. Anderson Cancer Center is requesting approval of this project now because FEMA requires construction to be complete by June 2004 if FEMA approves this project for federal assistance. Therefore, U. T. M. D. Anderson Cancer Center must begin design and construction now even though FEMA has not yet completed its approval of federal assistance.

This repair and rehabilitation project would best be managed by the U. T. M. D. Anderson Cancer Center Facilities Management personnel who have the experience and capability to manage all aspects of the work.

This off-cycle project has been approved by U. T. System staff and meets the criteria for inclusion in the Capital Improvement Program.

This project was presented to the Facilities Planning and Construction Committee in April 2003, with funding of \$12,000,000 from Hospital Revenue Funds. However, following discussion with the Office of Health Affairs, funding will be from FEMA and Hospital Revenue Funds. The project was not presented to the Health Affairs Committee in March 2003.