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FOR
FACILITIES PLANNING AND CONSTRUCTION
COMMITTEE**

Committee Meeting: 8/19/2020

Board Meeting: 8/20/2020
Austin, Texas

*David J. Beck, Chairman
Christina Melton Crain
R. Steven Hicks
Nolan Perez
Kelcy L. Warren
Rad Weaver*

| | Committee Meeting | Board Meeting | Page |
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| Convene | <i>11:00 a.m. Chairman Beck</i> | | |
| 1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration | <i>11:00 a.m. Discussion</i> | Action | 165 |
| <u>Addition to the CIP</u> | | | |
| 2. U. T. Arlington: Academic Building for School of Social Work and College of Nursing and Health Innovation - Amendment of the current Capital Improvement Program to include project | <i>11:05 a.m. Action President ad interim Lim</i> | Action | 166 |
| 3. U. T. Health Science Center - San Antonio: Inpatient Facility - Amendment of the current Capital Improvement Program to include project | <i>11:15 a.m. Action President Henrich</i> | Action | 169 |
| <u>Design Development Approval</u> | | | |
| 4. U. T. Austin: Texas Athletics Basketball and Rowing Training Facility - Reapproval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt | <i>11:25 a.m. Action President ad interim Hartzell</i> | Action | 172 |
| Adjourn | <i>11:30 a.m.</i> | | |

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. Arlington: Academic Building for School of Social Work and College of Nursing and Health Innovation - 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 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 Academic Building for School of Social Work and College of Nursing and Health Innovation project at The University of Texas at Arlington.

BACKGROUND INFORMATION

Previous Actions

On November 14, 2019, the Board approved \$60,000,000 in Permanent University Fund (PUF) Bond Proceeds for this project. On December 11, 2019, the Chancellor approved the project for Definition Phase.

Project Description

The University of Texas at Arlington seeks to construct a new academic building to serve the School of Social Work (SSW) and the College of Nursing and Health Innovation (CoNHI). The new building will be a mixture of flexible, state-of-the-art technology classrooms, teaching and dry research labs, faculty and staff offices, student engagement space, study and support spaces, and infrastructure support space.

While the SSW program has had significant success, it is severely restricted given the current facility space. The CoNHI Smart Hospital is over-subscribed given the growth in the university's nursing programs. The proposed facility will contribute to the advancement of the SSW program's national ranking and will support the continued growth of both programs.

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. Pursuant to Board of Regents approval on September 1, 2019, U. T. Arlington has delegated authority for institutional management of construction projects under the continued oversight of the Office of Capital Projects.

**The University of Texas at Arlington
Academic Building for School of Social Work and College of Nursing and Health
Innovation**

Project Information

| | |
|---------------------------------|---|
| Project Number | 301-1295 |
| CIP Project Type | New Construction |
| Facility Type | Classroom, General |
| Management Type | Institutional Management |
| Institution's Project Advocates | Scott Ryan, Dean and Jenkins Garrett Professor for the School of Social Work |
| Project Delivery Method | Design-Build |
| Gross Square Feet (GSF) | 150,000 |

Project Funding

| | |
|---|---------------------|
| | <u>Proposed</u> |
| Permanent University Fund Bond Proceeds | \$60,000,000 |
| Revenue Financing System Bond Proceeds ¹ | 11,000,000 |
| Gifts | 3,800,000 |
| Unexpended Plant Funds | <u>1,200,000</u> |
| Total Project Cost | <u>\$76,000,000</u> |

¹RFS Bond Proceeds to be repaid by Designated Tuition

Project Cost Detail

| | |
|----------------------------------|---------------------|
| Building Cost | \$55,724,694 |
| Fixed Equipment | 1,700,000 |
| Site Development | 1,966,383 |
| Furniture and Moveable Equipment | 4,000,000 |
| Institutionally Managed Work | 1,575,000 |
| Architectural/Design Services | 4,808,923 |
| Project Management Fees | 1,520,000 |
| Insurance | 1,192,876 |
| Other Professional Fees | 2,242,120 |
| Project Contingency | 1,270,004 |
| Other Costs | - |
| Total Project Cost | <u>\$76,000,000</u> |

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

| | |
|---|-------|
| Academic Building for School of Social Work and College of Nursing and Health Innovation | \$371 |
| The Texas Higher Education Coordinating Board Average for Classroom, General | \$477 |

| | Low Quartile | Median | High Quartile |
|-----------------------------|--------------|--------|---------------|
| Other U. T. System Projects | \$359 | \$376 | \$414 |
| Other National Projects | \$364 | \$430 | \$522 |

**The University of Texas at Arlington
Academic Building for School of Social Work and College of Nursing and Health
Innovation**

(continued)

Investment Metric

- Increase enrollment in each program by 5% per year, by 2025
- Increase research expenditures in each program by 5%-10% per year, 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 | December 2019 |
| Addition to CIP | August 2020 |
| Design Development Approval | November 2020 |
| Construction Notice to Proceed | January 2021 |
| Substantial Completion | November 2022 |

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years

Building Systems: 30 years

Interior Construction: 20 years

3. U. T. Health Science Center - San Antonio: Inpatient Facility - 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 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 Inpatient Facility project at The University of Texas Health Science Center at San Antonio.

BACKGROUND INFORMATION

Previous Action

On September 17, 2019, the Chancellor approved this project for Definition Phase.

Project Description

The proposed project will build a high-acuity hospital expected to be comprised of several specialties including cancer, neurosciences, orthopedics, urology, thoracic surgery, and bariatrics. A distinct competitive advantage of the hospital will be the unique leading-edge therapies and early-phase clinical trials in the many disciplines in which the university has expertise, including immunologic and stem cell therapies in oncology and diabetes. A 530-space parking garage is included in the project.

The hospital will be located on 12 acres of land in the South Texas Medical Center gifted to U. T. Health Science Center at San Antonio (UTHSCSA) by the San Antonio Medical Foundation. The proposed hospital's proximity to UTHSCSA's major medical and research facilities provides close physical and intellectual connectivity between the teams in these buildings, and is a key component to the overall success of the hospital by creating programmatic synergy needed to bring laboratory discoveries into the clinic to serve the region's health needs. This location will also allow for a bridge connecting the hospital to the Mays Cancer Center, a National Cancer Institute-Designated facility, to allow for seamless flow of outpatient and inpatient cancer care.

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. Pursuant to a Memorandum of Understanding effective July 1, 2019, U. T. Health Science Center - San Antonio has delegated authority of institutional management of construction projects under the continued oversight of the Office of Capital Projects.

**The University of Texas Health Science Center at San Antonio
Inpatient Facility**

Project Information

| | |
|--------------------------------|--|
| Project Number | 402-1287 |
| CIP Project Type | New Construction |
| Facility Type | Healthcare Facility, Hospital |
| Management Type | Institutional Management |
| Institution's Project Advocate | James D. Kazen, Executive Vice President Facility Planning and Operations |
| Project Delivery Method | Construction Manager at Risk |
| Gross Square Feet (GSF) | 405,775 GSF - Hospital 530 Spaces - Parking Garage |

Project Funding

| | |
|---|----------------------|
| | <u>Proposed</u> |
| Revenue Financing System Bond Proceeds ¹ | \$268,851,000 |
| Permanent University Fund Bond Proceeds | 80,000,000 |
| Gifts | <u>50,000,000</u> |
| Total Project Cost | \$398,851,000 |

¹RFS Bond Proceeds to be repaid by Hospital Revenue

Project Cost Detail

| | |
|------------------------------------|----------------------|
| Building Cost | |
| - Hospital | \$211,391,371 |
| - Parking Garage | 11,919,256 |
| - Pedestrian Bridge/Elevator Tower | 10,202,531 |
| Fixed Equipment | 5,252,440 |
| Site Development | 16,562,411 |
| Furniture and Moveable Equipment | 7,652,340 |
| Institutionally Managed Work | 73,304,000 |
| Architectural/Design Services | 25,300,428 |
| Project Management Fees | 2,160,000 |
| Insurance | 4,729,364 |
| Other Professional Fees | 4,565,601 |
| Project Contingency | 23,011,258 |
| Other Costs | <u>2,800,000</u> |
| Total Project Cost | \$398,851,000 |

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

| | |
|--|-------------|
| Inpatient Facility (with 11% Shell Space - 144 beds) | \$1,467,996 |
| Inpatient Facility (Estimated Total Finish-Out - 144 beds) | \$1,595,356 |

| | Low Quartile | Median | High Quartile |
|-----------------------------|--------------|-------------|---------------|
| Other U. T. System Projects | \$1,022,497 | \$1,221,099 | \$1,540,998 |
| Other National Projects | \$1,050,726 | \$1,736,647 | \$2,546,844 |

**The University of Texas Health Science Center at San Antonio
Inpatient Facility**
(continued)

Investment Metric

- Increase residency training slots by an additional 100 to 130 by 2027
- Increase the average daily census by at least 15% by 2026

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 | September 2019 |
| Addition to CIP | August 2020 |
| Design Development Approval | November 2020 |
| Construction Notice to Proceed | May 2021 |
| Substantial Completion | May 2024 |

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 35 years
Building Systems: 25 years
Interior Construction: 20 years

4. U. T. Austin: Texas Athletics Basketball and Rowing Training Facility - Reapproval 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 Executive Vice Chancellor for Business Affairs, and the institutional president that the U. T. System Board of Regents approve the recommendations for the Texas Athletics Basketball and Rowing Training Facility project at The University of Texas at Austin as follows:

- a. reapprove design development plans;
- b. appropriate funds and authorize expenditure of \$60,000,000 from 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 \$60,000,000.

BACKGROUND INFORMATION

Debt Service

The \$60,000,000 in RFS debt will be repaid from Gifts. Annual debt service on the \$60,000,000 RFS debt is expected to be \$3.4 million. The institution's Scorecard Rating of 2.0 at fiscal year-end 2019 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 December 9, 2019, the Chancellor approved this project for Definition Phase. On February 27, 2020, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$60,000,000 with funding from RFS Bond Proceeds. On May 6, 2020, the Board approved design development plans.

Project Description

The project is seeking reapproval of design development plans as the exterior of the building has changed significantly and the scope for the space in the Moody Center has been revised, and appropriation and authorization of expenditure of funds.

The project will replace the Denton A. Cooley Pavilion basketball training facility after it is decommissioned following completion of the Moody Center. The building will be adjacent to and serve as the primary training facility for the Men's and Women's Basketball programs and the Women's Rowing program. The four-story facility will include basketball courts, rooms for rowing ergometers, strength and conditioning, sports medicine, players' lounges, meeting rooms, and coach and staff offices. Also included in the project will be the interior fit-up of space in the Moody Center for locker rooms for the men's, women's, and visiting basketball teams, as well as retail store spaces.

**The University of Texas at Austin
Texas Athletics Basketball and Rowing Training Facility**

Project Information

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|---------------------------------|---|
| Project Number | 102-1292 |
| CIP Project Type | New Construction |
| Facility Type | Athletic |
| Management Type | Institutional Management |
| Institution's Project Advocates | Arthur Johnson, Executive Senior Associate Athletics Director Shawn Eichorst, Deputy Athletic Director/Chief Operating Officer |
| Project Delivery Method | Construction Manager-at-Risk |
| Gross Square Feet (GSF) | 75,200 – New Construction 12,600 – Repair & Renovation (R&R) |

Project Funding

| | |
|---|----------------|
| | <u>Current</u> |
| Revenue Financing System Bond Proceeds ¹ | \$60,000,000 |
| Total Project Cost | \$60,000,000 |

¹RFS Bond Proceeds to be repaid by Gifts, as received

Project Cost Detail

| | |
|--|---------------------|
| Building Cost – New Construction | \$32,020,580 |
| Building Cost – Moody Center Locker Rooms and Retail Space | 5,330,561 |
| Fixed Equipment | 3,283,819 |
| Site Development | 2,027,040 |
| Furniture and Moveable Equipment | 3,613,397 |
| Institutionally Managed Work | 1,910,790 |
| Architectural/Design Services | 3,537,451 |
| Project Management Fees | 1,650,000 |
| Insurance | 1,205,498 |
| Other Professional Fees | 3,620,864 |
| Project Contingency | 1,800,000 |
| Other Costs | - |
| Total Project Cost | \$60,000,000 |

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

| | | | |
|--|--------------|--------|---------------|
| Texas Athletics Basketball and Rowing Training Facility | \$426 | | |
| | Low Quartile | Median | High Quartile |
| Other U. T. System Projects | \$307 | \$346 | \$348 |
| Other National Projects | \$294 | \$352 | \$450 |

Investment Metric

- Increase efficiency in cost and co-location of training facilities by utilizing shared resources to benefit both basketball and rowing programs by 2022

The University of Texas at Austin
Texas Athletics Basketball and Rowing Training Facility
(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 | December 2019 |
| Addition to CIP | February 2020 |
| Design Development Approval | May 2020 |
| Design Development Re-approval/Expenditure of Funds | August 2020 |
| Construction Notice to Proceed | August 2020 |
| Substantial Completion | June 2022 |

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50 years
- Building Systems: 30 years
- Interior Construction: 20 years