

EXECUTIVE SUMMARY

Item Name: Revised FY 2018 Capital Development Plan (UA)

- Action Item
- Committee Recommendation to Full Board
- First Read of Proposed Policy Change
- Information or Discussion Item

Issue: The University of Arizona requests approval of the Revised FY 2018 Capital Development Plan (CDP) which includes two new major capital projects and four previously approved projects. The Revised CDP total project budget is \$255.5 million.

Previous Board Action: FY 2018 Capital Development Plan June 2017

Enterprise or University Strategic Plan

- Empower Student Success and Learning
- Advance Educational Attainment within Arizona
- Create New Knowledge
- Impact Arizona
- Compliance
- Real Property Purchase/Sale/Lease
- Other:

Statutory/Policy Requirements:

- x Pursuant to Arizona Board of Regents Policy Chapter 7-107, each university shall submit an annual Capital Development Plan for the upcoming fiscal year in accordance with the calendar approved by the president of the Board.
- x Approval of the CDP allows universities to complete planning and design in preparation for submitting individual projects for Project Approval by the Business and Finance Committee, with a final report to the full Board.

Capital Development Plan Projects:

- x The University of Arizona's Revised FY 2018 CDP totals \$255.5 million, proposes two new major capital projects for approval, and includes four previously approved capital projects.

Contact Information:

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- x The operating and maintenance (O&M) cost associated with the Indoor Sports Center project is estimated to be \$313,000. The UA anticipates funding the O&M costs with Auxiliary funds. The remaining ICA project components listed above are renovations, therefore do not have additional O&M costs.

- x Debt Ratio Impact: Based on anticipated interest rates of 4.1 percent and approximately 25-year maturity for the Intercollegiate Athletics project, the estimated annual debt service on the SRBs will be approximately \$4.3 million. This will increase the University debt ratio by .10 percent excluding SPEED bonds and .10 percent if SPEED bonds are included. The projected highest debt ratio is 5.12 percent excluding SPEED bonds and 6.35 percent including SPEED bonds.

ABOR Gift Guidelines: Gift Funded Capita | Project Information for CDP Phase

CDP Approved Projects (upcoming)					
	Approval Date	Occupancy	Project Cost	Gift Target	Current Gifts (cash/pledges)
College of Pharmacy, Skaggs Building Addition and Renovation	CDP June 2017	TBD	\$31.5M	\$10.0M	\$12.5M
Student Success District	CDP June 2017	TBD	\$71.0M	\$20M ⁽¹⁾	\$3.75M
Intercollegiate Athletics Project	CIP September 2017	TBD	\$67.5M	\$5M	\$5M

(1) The approved Student Fee is sufficient to support the entire project cost, but as gifts are raised for the project, they will replace portions of the fee, which will allow the fee to go toward other needs.

Recommendation

The University of Arizona asks the committee to forward to the full board for approval of its Revised FY 2018 Capital Development Plan as presented in this Executive Summary.

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THE UNIVERSITY OF ARIZONA
REVISED FY 2018 CAPITAL DEVELOPMENT PLAN

BoardApproval Status	GrossSquare Footage	ProjectCost	Amount
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Arizona Board of Regents
The University of Arizona
Revised FY 2018 Capital Development Plan
Project Justification Report

Oro Valley Veterinarian Medical Program Improvement

Previous Board Action

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cost, provides the contractor with design input and coordination throughout the project, improves potentially adversarial project environments, and allows for the selection of the most qualified contractor for this project. With the use of an independent cost estimate at each phase, and low-bid subcontractor pricing for the actual construction work, this method also provides a high level of cost and quality control.

- x The CM@R provides a Guaranteed Maximum Price (GMP) based upon the amount previously set forth in the agreement. In the selection of major subcontractors, the CM@R uses a qualification-based selection process prescribed by the ABOR Procurement Code to allow these subcontractors a design-assist role during the design phase. All remaining subcontractor work is awarded on the basis of the lowest responsive and responsible subcontractor bids. For this work, a minimum of three subcontractor bids will be required, except for specialty items or instances where proprietary systems are required, such as for energy management systems and door locks. A final report on project control procedures will be provided at project completion.

Project Status and Schedule

- x This project was included in the FY 2019-2021 Capital Improvement Plan which was approved by the Board in September 2017. Planning commenced in September 2017 and construction is anticipated to begin in July 2018.
- x Project construction would be completed in July 2019.

Project Cost

- x The total project budget is \$8 million with a construction cost of \$4.9 million

Fiscal Impact and Financing Plan

- x The Oro Valley Veterinarian Medical Program Improvement project totaling \$30 million is expected to be funded with land sale funds.
- x The Oro Valley Veterinarian Medical Program Improvement project is a renovation project and therefore do not have additional operations and maintenance (O&M) cost.
- x Debt Ratio Impact: This project will have no impact on debt ratios because the university will not issue debt to finance the project.

Occupancy Plan

- x The 27,500 gross square feet UA Oro Valley facility will be renovated to provide the necessary programmatic areas to support student teaching, learning and hands-on experience. The technically specialized areas will include the following:

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Anatomy Laboratory; Clinical Pathology and Microscopy Teaching Laboratory; Clinical Skills, Surgery and Dentistry Simulation Laboratories; Collaborative Learning, Communication and Professional Skills Area; Radiology and Imaging Area; Other Ancillary Support Areas.

EXECUTIVE SUMMARYCapital Project Information Summary

University: The University of Arizona

Project Name: Oro Valley Veterinarian Medical Program Improvement

Project Description/Location:

In response to our land-grant promise, the ~~to utilize~~ the State's one-time investment for facility renovations and capital equipment ~~are~~ critical to establishing the much-needed and revolutionary program to train DVM's. UA Oro Valley will serve as ~~the basis~~ DVM students for clinical rotations.

Project Schedule:

Planning	September 2017
Design	November 2017
Construction	July 2018
Occupancy	July 2019

Project Budget:

Total Project Cost	\$8,000,000
Total Project Cost per GSF	\$291
Direct Construction Cost	\$4,912,600
Construction Cost per GSF	\$179

Change in Annual Oper./Maint. Cost

Utilities	N/A
Personnel	N/A
Other	N/A

Funding Sources:

Capital:	
x State Appropriation	\$8,000,000
(Debt See Funding Sources: NA)	

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Capital Project Budget Summary

University: The University of Arizona Project Name: Oro Valley Veterinarian Medical Program Improvement

Capital Development Plan
Approval

Date of Budget Estimate

November 2017

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Project Site Location Map

EXECUTIVE SUMMARYCapital Project Information Summary

University: The University of Arizona Project Name: Hillenbrand Aquatic Center Improvements

Project Description/Location:

This is a life cycle replacement of the main pool, the pump and chemical accessory rooms and either the addition of a conditioned electronic control booth or renovation of the existing control booth into conditioned space for scoreboard control. The new pool will be larger to accommodate various meet events occurring at the same time and include movable bulkheads to provide both short course options. The old dive pool will be demolished to create the space required for this larger pool.

Project Schedule:

Planning	August 2017
Design	December 2017
Construction	Off-season 2018
Occupancy	January 2019

Project Budget:

Total Project Cost	\$15,000,000
Direct Construction Cost	\$11,750,000

Change in Annual Oper./Maint. Cost

Utilities	N/A
Personnel	N/A
Other	N/A

Funding Sources:

Capital:	
xSystem Revenue Bonds	\$15,000,000
(Debt Service Funding Sources:)	
Operation/Maintenance:	
xN/A	N/A

EXECUTIVE SUMMARYCapital Project Budget Summary

University: The University of Arizona Project Name: Hillenbrand Aquatics Center Improvements

Capital Development Plan
ApprovalDate of Budget Estimate

November 2017

1. Construction Cost		
A. New Construction		
B. Renovation		11,300,000
C. Fixed Equipment		0
D. Site Development		0
E. Parking & Landscaping		0
F. Utilities Extensions		0
G. Other (inflation)		450,000
Subtotal Construction Cost	\$	11,750,000
2. Consultant Fees		
A. Construction Manager		115,000
B. Architect/Engineering Fees		1,275,000
C. Other (commissioning)		230,000
Subtotal Consultant Fees	\$	1,620,000
3. Furniture Fixtures and Equipment		150,000
4. Contingency, Design Phase		500,000
5. Contingency, Construction Phase		500,000
6. Parking Reserve		10,000
7. Telecommunications Equipment		40,000
Subtotal Items 4-8	\$	1,200,000
8. Additional University Costs		
A. Surveys and Tests		25,000
B. Move-in Costs		0
C. Public Art		0
D. Printing/Advertisement		5,000
E. Univ. Facilities & Project Management		325,000
F. State Risk Mgt. Ins		75,000
Subtotal Additional University Costs	\$	430,000
TOTAL CAPITAL COST	\$	15,000,000

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Project Site Location Map

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Capital Project Information Summary

University: The University of Arizona Project Name: Hillenbrand Softball Facility Improvements

Project Description/Location: 17

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Capital Project Budget Summary

University: The University of Arizona Project Name: Hillenbrand Softball Facility Improvements

Capital Development Plan
Approval

Date of Budget Estimate

November 2017

1. Construction Cost	
A. New Construction	0
B. Renovation	6,150,000
C. Fixed Equipment	0
D. Site Development	0
E.	

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Project Site Location Map

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subcontractors, the Design-Builder uses a qualifications-based selection process prescribed by the ABOR Procurement Code to allow major subcontractors a design-assist role during the design phase. All remaining subcontractor work is awarded on the basis of the lowest responsive and responsible subcontractor bids. For this work, a minimum of three subcontractor bids will be required, except for specialty items or instances where proprietary systems are required, such as for energy management systems and door locks. A final report on project control procedures will be provided at project completion.

Project Status and Schedule

- x This project was included in the FY 2019-2021 Capital Improvement Plan which was approved by the Board in September 2017.
- x The planning phase is scheduled to begin in September 2017. Construction is scheduled for Spring 2018, with

EXECUTIVE SUMMARYCapital Project Information Summary

University: The University of Arizona

Project Name: Indoor Sports Center

Project Description/Location:

A new 45,000 gsf building to provide safe all-weather for football and other sports. A multi-use facility that is envisioned to benefit multiple sports will also serve as a game day providing food vendors, music, seating and other fan experience amenities. Building will be located on Sanford Field on the University of Arizona campus.

Project Schedule:

Planning	September 2017
Design	December 2017
Construction	Spring 2018
Occupancy	Winter 2019

Project Budget:

Total Project Cost	\$18,000,000
Total Project Cost per GSF	\$400
Direct Construction Cost	\$13,925,000
Construction Cost per GSF	\$310

Change in Annual Oper./Maint. Cost

Utilities	\$94,500
Personnel	\$146,200
Other	\$71,800

Funding Sources:

Capital:	
xSystem Revenue Bonds	\$18,000,000
(Debt Service Funding Sources:)	
Operation/Maintenance:	
xOther Local Funds	\$312,500

EXECUTIVE SUMMARYCapital Project Budget Summary

University: The University of Arizona Project Name: Indoor Sports Center

Capital Development Plan
ApprovalDate of Budget Estimate

November 2017

1. Construction Cost	
A. New Construction	13,375,000
B. Renovation	0
C. Fixed Equipment	0
D. Site Development	0
E. Parking & Landscaping	0
F. Utilities Extensions	0
G. Other (inflation)	0

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Arizona Board of Regents
The University of Arizona
Revised FY 2018 Capital Development Plan
Project Justification Report

Arizona Stadium Improvements

Previous Board Action

x FY 2019-2021 Capital Improvement Plan

September 2017

Statutory/Policy Requirements

x Pursuant to Arizona Board of Regents Policy, Chapter 7-102 (B1), all capital projects

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Project Delivery Method and Process

- x This project is being delivered through a Design-Build (DB) delivery method. This approach was selected for this project because it can provide early cost control, saving time through fast-track project scheduling while still providing contractor design input and coordination throughout the

Capital Project Information Summary

University: The University of Arizona Project Name: Arizona Stadium Improvements

Project Description/Location:

Intercollegiate Athletics is planning to renovate the existing football stadium to provide enhanced fan amenities. Primary elements on the ground level, which serve the student seating section, include conversion of a service parking alley into a pedestrian walkway and creation of a student lounge space. The primary element on the intermediate level is the renovation of the Stadium Club. Circulation, restrooms, concessions and amenities will be expanded and upgraded at each concourse level. Life cycle repairs will be made to infrastructure and systems. Service parking at the intermediate level is being upgraded.

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Capital Project Budget Summary

University: The University of Arizona Project Name: Arizona Stadium Improvements

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Date of Budget Estimate

November 2017

1. Construction Cost

A. New Construction	0
B. Renovation	17,870,000
C. Fixed Equipment	0
D. Site Development	0
E. Parking & Landscaping	0
F. Utilities Extensions	0
G. Oth998	0 0 10.98 62.58 466.5 Tm .0001 Tc .5205Tm .0e1.58 5ET Q q 1 i 59.58 477.48 1.5 12

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Project Site Location Map