

FY 2018
Capital Development Plan
University of Arizona

Revised November 2017

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:

- 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.
- 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:

- 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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EXECUTIVE SUMMARY

Newly Proposed Projects

- Oro Valley Veterinarian Medical Program Improvement
- Intercollegiate Athletics Project
 - Hillenbrand Aquatic Center Improvements*
 - Hillenbrand Softball Facility Improvements*
 - Indoor Sports Center*
 - Arizona Stadium Improvements*

Previously Approved Projects

- College of Pharmacy, Skaggs Building Addition and Renovation
- Student Success District
- North Campus Infrastructure Phase 2 (currently on hold)
- Engineering Innovation Building – PPP (currently on hold)

Additional detail on the proposed project cost and financing can be found in the attached Exhibits 1, 2 and 3.

Changes to the Previously Approved FY 2018 Capital Development Plan:**Removal of Previously Approved Projects which have now received Project Approval**

- University of Arizona Health Sciences Building 201 Renovations
- Deferred Maintenance Project – Building 90 Renovations
- Honors College Public-Private Partnership Project

Fiscal Impact and Management

- The Revised FY 2018 Capital Development Plan includes four previously approved projects totaling \$181.5 million, of which two are currently on hold. There are two new projects totaling \$74 million. The Oro Valley Veterinarian Medical Program Improvement (\$8M) and the Intercollegiate Athletics project (\$66M) consisting of 4 components: the Hillenbrand Aquatic Center (\$15M), the Hillenbrand Softball Facility Improvements (\$8M), the Indoor Sports Center (\$18M), and the Arizona Stadium Improvements (\$25M).
- The renovation of the UA Oro Valley Veterinary Medicine Facility is budgeted for \$8 million. The UA will fund this project with FY 2017 State General Fund Appropriations.
- The UA intends to finance the Intercollegiate Athletics project (\$66M) consisting of 4 components: the Hillenbrand Aquatic Center (\$15M), the Hillenbrand Softball Facility Improvements (\$8M), the Indoor Sports Center (\$18M), and the Arizona Stadium Improvements (\$25M), by selling System Revenue Bonds (SRBs). The debt payments on the SRBs will be funded with student fees and gifts funds.

- 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.
- **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 Capital 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 |

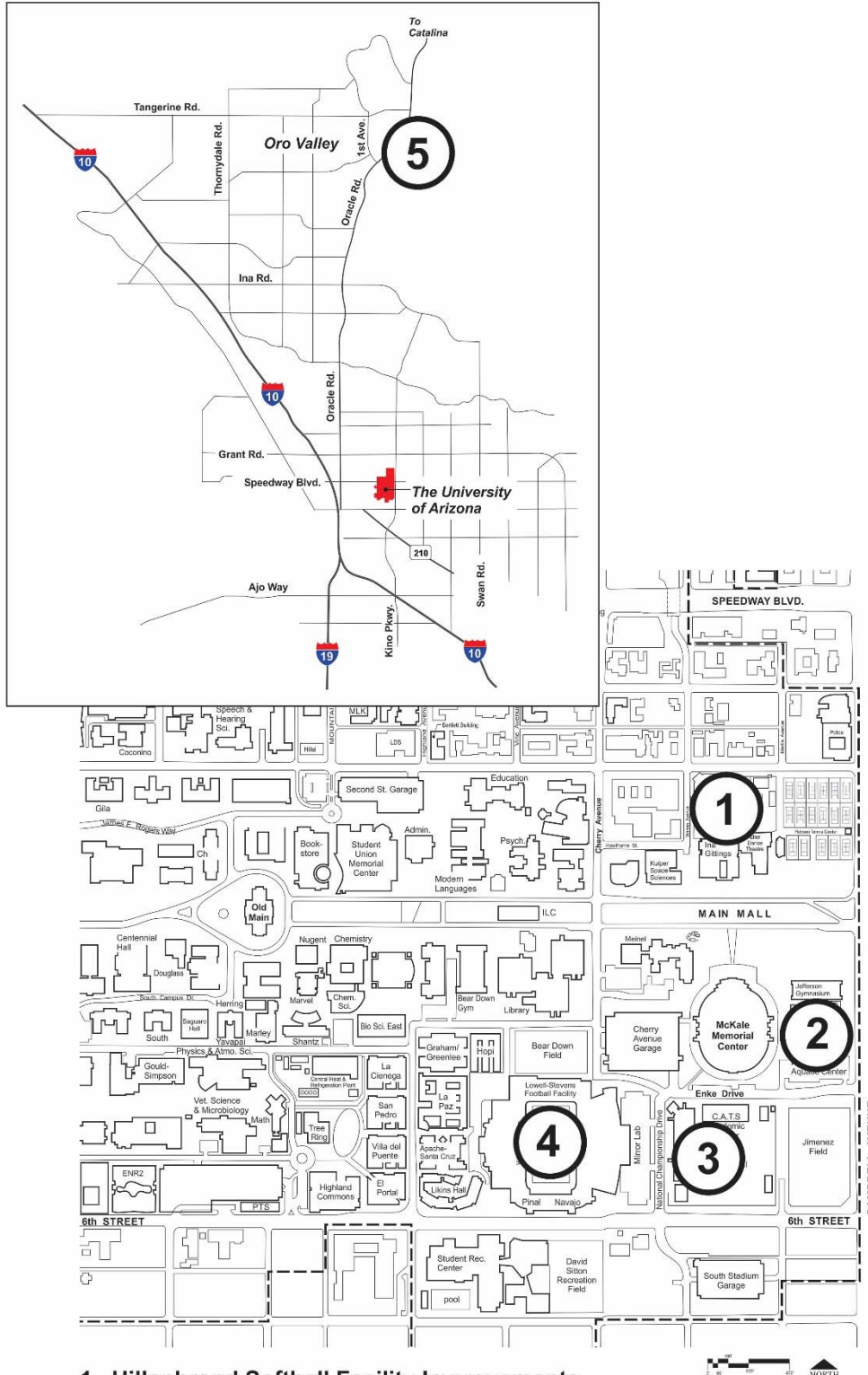
(1) The approved Student Fee is sufficient to support the entire project cost, but as gifts are raised for the project, they will replace portions of the fee, which will allow the fee to go toward other needs.

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.

EXECUTIVE SUMMARY

Revised FY 2018 Capital Development Plan - Proposed Projects



1. Hillenbrand Softball Facility Improvements
2. Hillenbrand Aquatic Center Improvements
3. Indoor Sports Center
4. ICA Arizona Stadium Improvements
5. Oro Valley Veterinarian Medical Program Improvement

EXECUTIVE SUMMARY

**THE UNIVERSITY OF ARIZONA
 REVISED FY 2018 CAPITAL DEVELOPMENT PLAN**

EXHIBIT 1

| | Board Approval Status | Gross Square Footage | Project Cost | Amount Financed | Funding Method | Annual Debt Service | Debt Ratio |
|---|---|-------------------------------------|----------------------|----------------------|----------------------------|---------------------|-------------|
| New Capital Project | | | | | | | |
| Oro Valley Veterinarian Medical Program Improvement | CIP FY 2019-2021 | 27,500 | \$8,000,000 | | State Appropriation | | |
| Intercollegiate Athletics (ICA) Project <ul style="list-style-type: none"> • Hillenbrand Aquatic Center Improvements • Hillenbrand Softball Facility Improvements • Indoor Sports Center • Arizona Stadium Improvements | CIP FY 2019-2021 | 45,000 | \$66,000,000 | \$66,000,000 | System Revenue Bonds | \$4,312,000 | .10% |
| New Capital Projects Total | | | \$74,000,000 | \$66,000,000 | | \$4,312,000 | .10% |
| Previously Approved Projects | | | | | | | |
| College of Pharmacy, Skaggs Building Addition and Renovation | CDP June 2017 | 19,000 (new) 24,000 (renovation) | \$31,500,000 | | Gifts/Foundation Funds/OLF | | |
| Student Success District | CIP FY 2017-2019 CIP FY 2018-2020 CDP June 2017 | 173,425 | \$71,000,000 | \$68,000,000 | System Revenue Bonds | \$4,319,000 | .07% |
| North Campus Infrastructure Phase 2 (on hold) | CDP June 2017 | N/A | \$16,000,000 | | System Revenue Bonds | | |
| Engineering Innovation Building (on hold) | CDP June 2017 | 107,000 | \$63,000,000 | | Public Private Partnership | | |
| Previously Approved Projects Total | | | \$181,500,000 | \$68,000,000 | | \$4,319,000 | .07% |
| Total | | | \$255,500,000 | \$134,000,000 | | \$8,631,000 | .17% |

EXECUTIVE SUMMARY

EXHIBIT 2

**THE UNIVERSITY OF ARIZONA
 REVISED FY 2018 CAPITAL DEVELOPMENT PLAN**

| CAPITAL DEVELOPMENT PLAN - ANNUAL DEBT SERVICE BY FUNDING SOURCE | | | | | | | | | |
|---|----------------------|-----|-----|-----|--------------------|-----|-----|------------------|---------------------------|
| Project | Amount Financed | TUI | AUX | ICR | OLF | SLP | FGT | DFG | TOTAL ANNUAL DEBT SERVICE |
| New Capital Project | | | | | | | | | |
| Oro Valley Veterinarian Medical Program Improvement | | | | | | | | | |
| Intercollegiate Athletics (ICA) Project <ul style="list-style-type: none"> • Hillenbrand Aquatic Center Improvements • Hillenbrand Softball Facility Improvements • Indoor Sports Center • Arizona Stadium Improvements | \$66,000,000 | | | | \$4,112,000 (1) | | | \$200,000 | \$4,312,000 |
| New Capital Projects Total | \$66,000,000 | | | | \$4,112,000 | | | \$200,000 | \$4,312,000 |
| Previously Approved Projects | | | | | | | | | |
| College of Pharmacy, Skaggs Building Addition and Renovation | | | | | | | | | |
| Student Success District | \$68,000,000 | | | | \$3,973,000 (1) | | | \$346,000 | \$4,319,000 |
| North Campus Infrastructure Phase 2 (on hold) | | | | | | | | | |
| Engineering Innovation Building (on hold) | | | | | | | | | |
| Previously Approved Projects Total | \$68,000,000 | | | | \$3,973,000 | | | \$346,000 | \$4,319,000 |
| Total | \$134,000,000 | | | | \$8,085,000 | | | \$546,000 | \$8,631,000 |

Debt Service Funding Source Codes:

(TUI) Tuition (ICR) Indirect Cost Recovery (FGT) Federal Grant (AUX) Auxiliary (OLF) Other Local Funds (DFG) Debt Financed by Gifts (SLP) State Lottery Allocation Proceeds
 (1) The ICA Project and Student Success District Debt Service will be paid with ABOR approved student fees

EXECUTIVE SUMMARY

EXHIBIT 3

**THE UNIVERSITY OF ARIZONA
 REVISED FY 2018 CAPITAL DEVELOPMENT PLAN**

| CAPITAL DEVELOPMENT PLAN - OPERATION AND MAINTENANCE BY FUNDING SOURCE | | | | | | | | | |
|---|--------------------|-----|------------------|-----|------------------|-----|-----|-----|------------------|
| Project | TOTAL ANNUAL O&M | TUI | AUX | ICR | OLF | GFA | FGT | DFG | OTH |
| New Capital Project | | | | | | | | | |
| Oro Valley Veterinarian Medical Program Improvement | N/A | | | | | | | | |
| Intercollegiate Athletics (ICA) Project <ul style="list-style-type: none"> • Hillenbrand Aquatic Center Improvements • Hillenbrand Softball Facility Improvements • Indoor Sports Center • Arizona Stadium Improvements | \$312,500 | | \$312,500 | | | | | | |
| New Capital Project Total | \$312,500 | | \$312,500 | | | | | | |
| Previously Approved Projects | | | | | | | | | |
| College of Pharmacy, Skaggs Building Addition and Renovation | \$166,000 | | | | \$166,000 | | | | |
| Student Success District | \$431,745 | | | | | | | | \$431,745 (1) |
| North Campus Infrastructure Phase 2 (on hold) | N/A | | | | | | | | |
| Engineering Innovation Building (on hold) | \$ 1,124,000 | | | | | | | | |
| Previously Approved Projects Total | \$1,721,745 | | | | \$166,000 | | | | \$431,745 |
| Total | \$2,034,245 | | \$312,500 | | \$166,000 | | | | \$431,745 |

Operation and Maintenance Funding Source Codes:

(TUI) Tuition (ICR) Indirect Cost Recovery (GFA) General Fund Appropriation (AUX) Auxiliary (OLF) Other Local Funds
 (FGT) Federal Grant (OTH) Other (DFG) Debt Financed by Gifts

(1) The Student Success District O&M will be paid with student fees

**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

FY 2019-2021 Capital Improvement Plan

September 2017

Statutory/Policy Requirements

- Pursuant to Arizona Board of Regents Policy, Chapter 7-102 (B)(1), all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology must be brought to the Business and Finance Committee for approval, regardless of funding source or financing.

Project Justification/Description/Scope

- An \$8 million one-time State appropriation that was specifically designated by the legislature for the UA Oro Valley Facility, will be used to renovate and equip the facility to appropriately accommodate the new Doctors of Veterinary Medicine (DVM) program.
- In response to our land-grant promise, the UA plans to utilize the State's one-time investment for facility renovations and capital equipment that are critical to establish the much-needed and revolutionary program to train DVMs. UA Oro Valley will serve as the base that trains DVM students for clinical rotations around the state.
- DVMs of the 21st century are challenged by animal health and biological issues that transcend and intersect with human well-being and community health, food safety, agricultural productivity, and national security and economic development. This program will be designed to address these issues and to have a positive impact on the University, the state, and the veterinary profession. The State's financial investment in the UA Oro Valley facility and the DVM Program will support significant economic development both through the immediate construction and facility improvement project, and also over the long term through supporting an educational program that will trigger the hire of 50 professional positions

Project Delivery Method and Process

- This project is being delivered through the Construction Manager at Risk (CM@R) method. This approach was selected for the project because it can save time and

EXECUTIVE SUMMARY

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.

- 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

- 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.
- Project construction would be completed in July 2019.

Project Cost

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

Fiscal Impact and Financing Plan

- The Oro Valley Veterinarian Medical Program Improvement project totaling \$30 million is expected to be funded with land sale funds.
- The Oro Valley Veterinarian Medical Program Improvement project is a renovation project and therefore do not have additional operations and maintenance (O&M) cost.
- **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

- 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:

EXECUTIVE SUMMARY

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 SUMMARY**Capital 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 UA plans to utilize the State's one-time investment for facility renovations and capital equipment that are critical to establish the much-needed and revolutionary program to train DVM's. UA Oro Valley will serve as the base that trains 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: | |
| • State Appropriation | \$8,000,000 |
| (Debt Service Funding Sources: NA) | |
| Operation/Maintenance: | |
| • N/A | N/A |

EXECUTIVE SUMMARY**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**

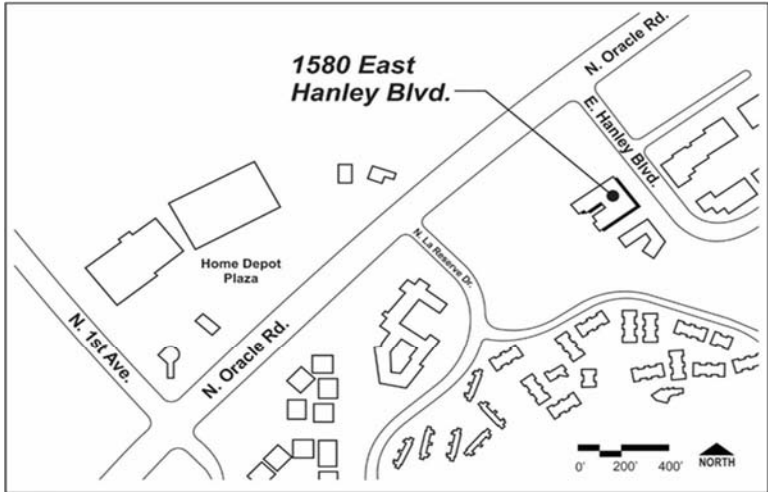
November 2017

| | | |
|--|-----------|------------------|
| 1. Construction Cost | | |
| A. New Construction | | 0 |
| B. Renovation | 4,912,600 | |
| C. Fixed Equipment | | 0 |
| D. Site Development | | 0 |
| E. Parking & Landscaping | | 0 |
| F. Utilities Extensions | | 0 |
| G. Other (inflation) | | 0 |
| Subtotal Construction Cost | \$ | 4,912,600 |
| 2. Consultant Fees | | 0 |
| A. Construction Manager | 72,000 | |
| B. Architect/Engineering Fees | 480,000 | |
| C. Other (programming, special consult.) | 20,000 | |
| Subtotal Consultant Fees | \$ | 572,000 |
| 3. Furniture Fixtures and Equipment | 1,871,000 | |
| 4. Contingency, Design Phase | 96,000 | |
| 5. Contingency, Construction Phase | 240,000 | |
| 6. Parking Reserve | 0 | |
| 7. Telecommunications Equipment | 100,000 | |
| Subtotal Items 4-8 | \$ | 2,307,000 |
| 8. Additional University Costs | | |
| A. Surveys and Tests | 25,000 | |
| B. Move-in Costs | 0 | |
| C. Public Art | 0 | |
| D. Printing/Advertisement | 4,000 | |
| E. Univ. Facilities & Project Management | 145,000 | |
| F. State Risk Mgt. Ins | 34,400 | |
| Subtotal Additional University Costs | \$ | 208,400 |
| TOTAL CAPITAL COST | \$ | 8,000,000 |

EXECUTIVE SUMMARY

Project Site Location Map

UA Oro Valley



Map Inset



Map Inset

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

Hillenbrand Aquatic Center Improvements

Previous Board Action

- FY 2019-2021 Capital Improvement Plan September 2017

Statutory/Policy Requirements

- Pursuant to Arizona Board of Regents Policy, Chapter 7-102 (B1), all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology shall be brought to the Business and Finance Committee for approval, regardless of funding source or financing.

Project Justification/Description/Scope

- This is a life cycle replacement of the main swimming pool, the pump and chemical accessory rooms and either the addition of a conditioned electronic control room or the 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 long and short course options. The old dive pool will be demolished to create the space required for this larger pool.
- The pool is structurally failing. The chemical room doesn't comply with current codes and safety standards. The maintenance cost is no longer sustainable. This new facility will support recruiting of student athletes and also provide a wide range of training options.

Project Delivery Method and Process

- 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 project, improving potentially adversarial project environments and still allowing for the selection of the most qualified architect-contractor team for this project. With the use of an independent cost estimate at each phase, and low-bid subcontractor work for the actual construction, this method also provides a high level of cost and quality control.

EXECUTIVE SUMMARY

- The Design-Builder provides a Guaranteed Maximum Price (GMP) based upon the amount previously agreed upon in the Design-Build agreement. The Design-Builder is at risk to provide the completed project within that price. In the selection of major 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

- This project was included in the FY 2019-2021 Capital Improvement Plan which was approved by the Board in September 2017.
- This project is in the planning phase. Construction is targeted to begin during the swimming off-season, with completion prior to the start of the swimming season.

Project Cost

- The total project budget is \$15 million with a construction cost of \$11.75 million.

Fiscal Impact and Financing Plan

- Hillenbrand Aquatic Center Improvements is a component of the Intercollegiate Athletics project. See page 2 for the Fiscal Impact and Financing Plan.

Occupancy Plan

- Construction would be during the swimming off-season. The swimming season commences in the month of January of each year and therefore completion would need to be by the end of the year prior.

EXECUTIVE SUMMARY**Capital 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 swimming pool, the pump and chemical accessory rooms and either the addition of a conditioned electronic control room or the 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 long and 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: | |
| • System Revenue Bonds | \$15,000,000 |
| (Debt Service Funding Sources:) | |
| Operation/Maintenance: | |
| • N/A | N/A |

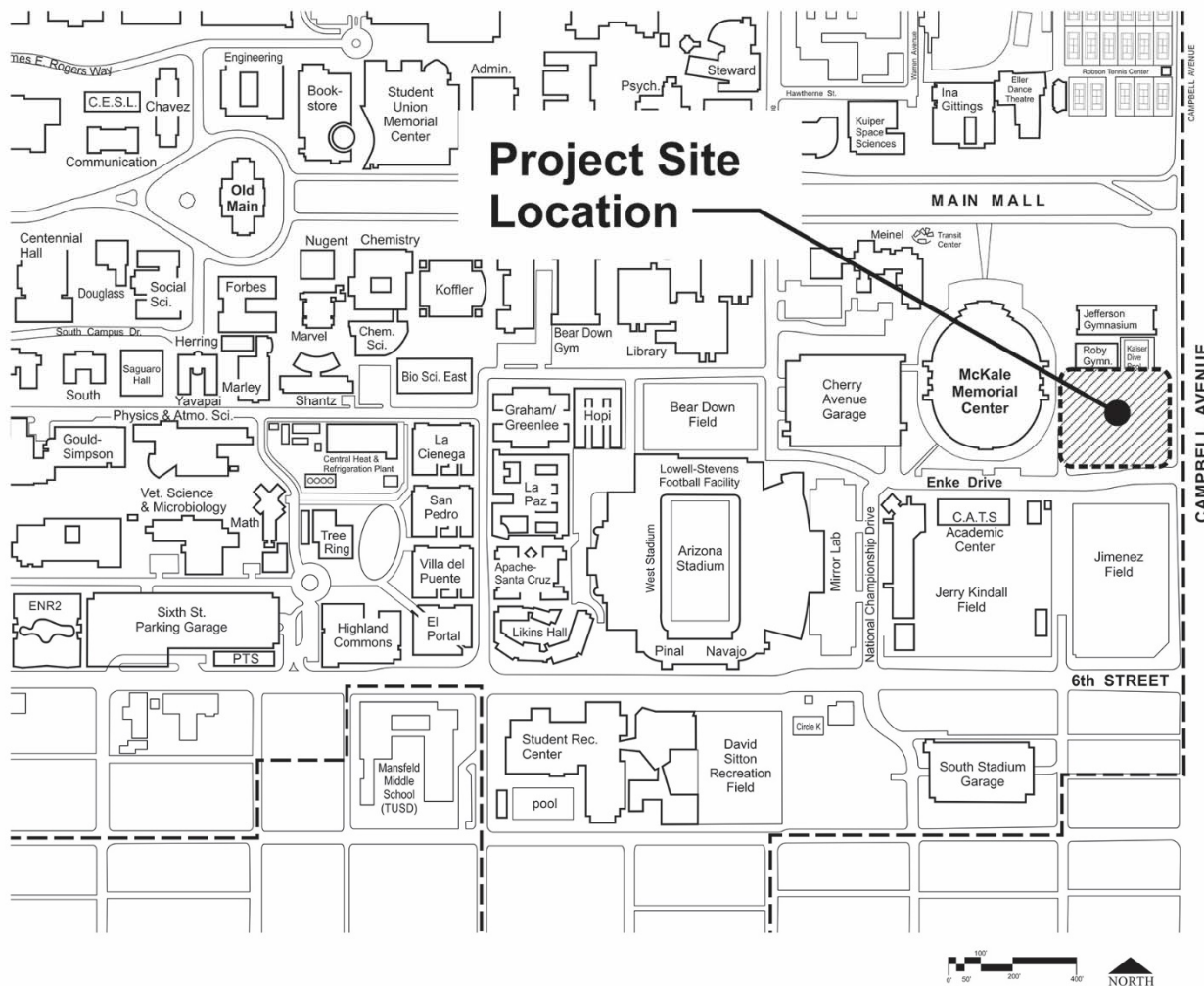
EXECUTIVE SUMMARY**Capital Project Budget Summary****University:** The University of Arizona **Project Name:** Hillenbrand Aquatic Center Improvements**Capital Development Plan
Approval****Date of Budget Estimate**

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 | \$ | <u>11,750,000</u> |
| 2. Consultant Fees | | |
| A. Construction Manager | | 115,000 |
| B. Architect/Engineering Fees | | 1,275,000 |
| C. Other (commissioning) | | 230,000 |
| Subtotal Consultant Fees | \$ | <u>1,620,000</u> |
| 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 | \$ | <u>1,200,000</u> |
| 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 | \$ | <u>430,000</u> |
| TOTAL CAPITAL COST | \$ | <u>15,000,000</u> |

EXECUTIVE SUMMARY

Project Site Location Map



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

Hillenbrand Softball Facility Improvements

Previous Board Action

- FY 2019-2021 Capital Improvement Plan September 2017

Statutory/Policy Requirements

- Pursuant to Arizona Board of Regents Policy, Chapter 7-102 (B)(1), all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology shall be brought to the Business and Finance Committee for approval, regardless of funding source or financing.

Project Justification/Description/Scope

- Intercollegiate Athletics is planning to make improvements to the existing softball stadium including the following primary items: sun shading of spectator seating areas; creating new spectator amenities including fan suites and retreat/standing areas; press box expansion and renovations; upgrading the dugouts; and replacing the backstop netting system. The renovations would upgrade the fan, player, staff and media experiences to current industry norms.
- The respective primary project items would address the following issues and needs: the intense afternoon sun of southern Arizona creates heat-related health issues in the spectator seating areas (especially during the latter months of the season); there are currently no areas for fans to retreat or congregate beyond their seats; the press box is currently inadequate to support press needs for televised and tournament play; the outdated infrastructure and amenities in the dugouts hinder use and recruiting; and the existing backstop netting and poles obstruct the sightlines of spectators.

Project Delivery Method and Process

- This project is being delivered through the Construction Manager at Risk (CM@R) method. This approach was selected for the project because it can save time and 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.

EXECUTIVE SUMMARY

- 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 qualifications-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

- This project was included in the FY 2019-2021 Capital Improvement Plan which was approved by the Board in September 2017.
- This project is in the planning phase. Construction is targeted to begin in the Summer of 2018, with completion in Winter 2019.

Project Cost

- The total project budget is \$8 million with a construction cost of \$6.4 million.

Fiscal Impact and Financing Plan

- Hillenbrand Softball Facility Improvements is a component of the Intercollegiate Athletics project. See page 2 for the Fiscal Impact and Financing Plan.

Occupancy Plan

- Construction would occur during the softball off-season, so use of the stadium will not be impacted.

EXECUTIVE SUMMARY**Capital Project Information Summary****University:** The University of Arizona**Project Name:** Hillenbrand Softball Facility Improvements**Project Description/Location:**

Intercollegiate Athletics is planning to make improvements to the existing softball stadium and is considering the following primary items: sun shading of spectator seating areas; create new spectator amenities including fan suites and retreat/standing areas; press box expansion and renovations; upgrade the dugouts; and replace the backstop netting system. The renovations would upgrade the fan, player, staff and media experiences to current industry norms.

Project Schedule:

| | |
|--------------|------------------|
| Planning | August 2017 |
| Design | September 2017 |
| Construction | Summer 2018 |
| Occupancy | Winter 2018/2019 |

Project Budget:

| | |
|--------------------------|-------------|
| Total Project Cost | \$8,000,000 |
| Direct Construction Cost | \$6,400,000 |

Change in Annual Oper./Maint. Cost

| | |
|-----------|-----|
| Utilities | N/A |
| Personnel | N/A |
| Other | N/A |

Funding Sources:

| | |
|--|-------------|
| Capital: | |
| • System Revenue Bonds (Debt Service Funding Sources:) | \$6,000,000 |
| • Gifts | \$2,000,000 |
| Operation/Maintenance: | |
| • N/A | N/A |

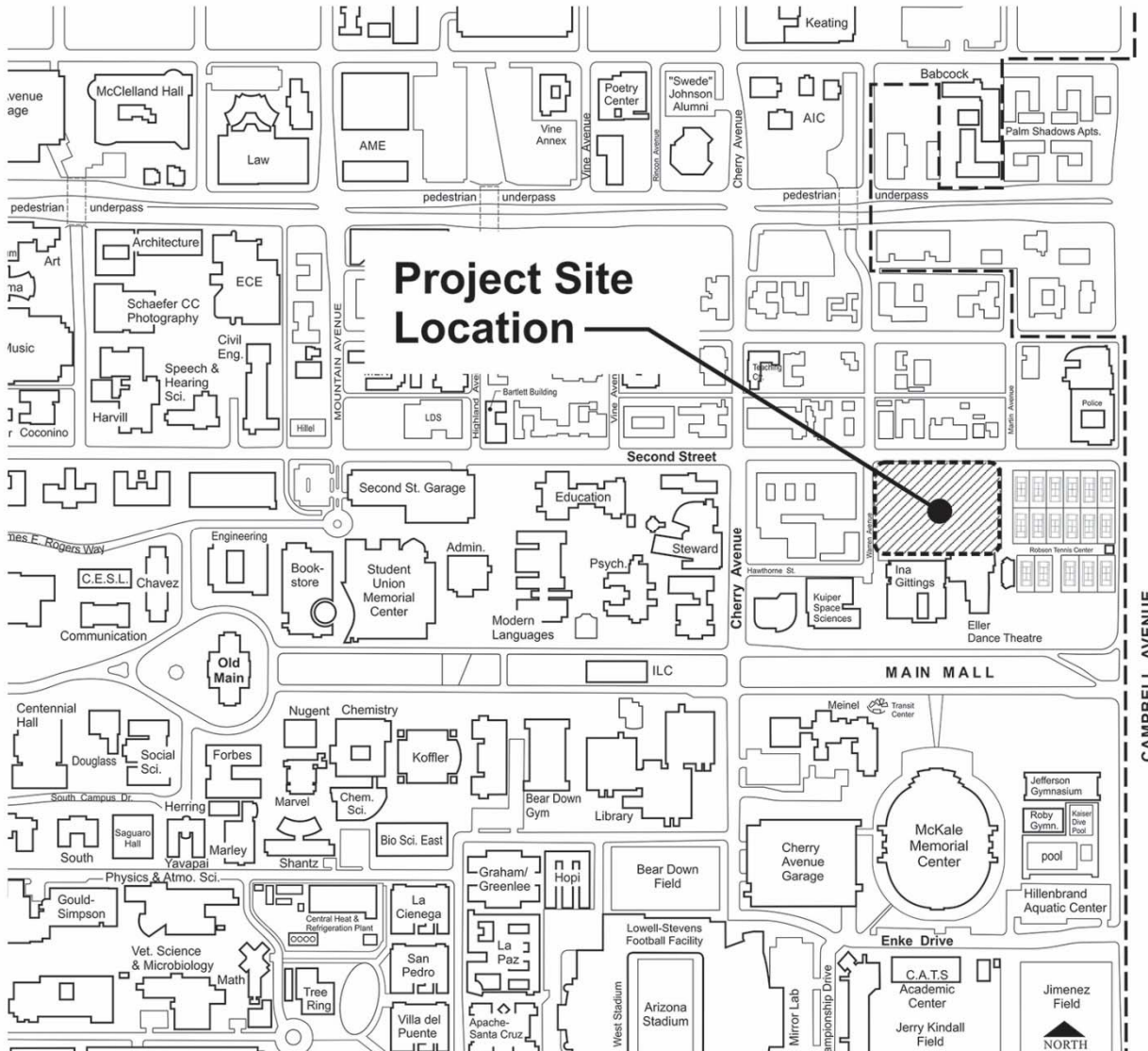
EXECUTIVE SUMMARY**Capital Project Budget Summary****University:** The University of Arizona **Project Name:** Hillenbrand Softball Facility Improvements**Capital Development Plan
Approval****Date of Budget Estimate**

November 2017

| | | |
|--|-----------|------------------|
| 1. Construction Cost | | |
| A. New Construction | | 0 |
| B. Renovation | 6,150,000 | |
| C. Fixed Equipment | | 0 |
| D. Site Development | | 0 |
| E. Parking & Landscaping | | 0 |
| F. Utilities Extensions | | 0 |
| G. Other (inflation) | | 250,000 |
| Subtotal Construction Cost | \$ | 6,400,000 |
| 2. Consultant Fees | | |
| A. Construction Manager | | 60,000 |
| B. Architect/Engineering Fees | | 400,000 |
| C. Other (commissioning) | | 45,000 |
| Subtotal Consultant Fees | \$ | 505,000 |
| 3. Furniture Fixtures and Equipment | | 150,000 |
| 4. Contingency, Design Phase | | 320,000 |
| 5. Contingency, Construction Phase | | 320,000 |
| 6. Parking Reserve | | 0 |
| 7. Telecommunications Equipment | | 30,000 |
| Subtotal Items 4-8 | \$ | 820,000 |
| 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 | | 200,000 |
| F. State Risk Mgt. Ins | | 45,000 |
| Subtotal Additional University Costs | \$ | 275,000 |
| TOTAL CAPITAL COST | \$ | 8,000,000 |

EXECUTIVE SUMMARY

Project Site Location Map



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

Indoor Sports Center

Previous Board Action

- FY 2019-2021 Capital Improvement Plan September 2017

Statutory/Policy Requirements

- Pursuant to Arizona Board of Regents Policy, Chapter 7-102 (B1), all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology shall be brought to the Business and Finance Committee for approval, regardless of funding source or financing.

Project Justification/Description/Scope

- A new 45,000 gsf building to provide safe, all-weather practice for football and other sports. A multi-use facility that is envisioned to benefit multiple sports which will also serve as a game day venue providing food, vendors, music, seating and other fan experience amenities.
- Excessive heat and violent monsoon storms compromise the ability for practice to occur safely outdoors. The months of the greatest heat and storm intensity and frequency are coincidental with football practice. There is currently no indoor venue suited for large group, pre-game or post-game activities.

Project Delivery Method and Process

- 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 project, improving potentially adversarial project environments and still allowing for the selection of the most qualified architect-contractor team for this project. With the use of an independent cost estimate at each phase, and low-bid subcontractor work for the actual construction, this method also provides a high level of cost and quality control.
- The Design-Builder provides a Guaranteed Maximum Price (GMP) based upon the amount previously agreed upon in the Design-Build agreement. The Design-Builder is at risk to provide the completed project within that price. In the selection of major

EXECUTIVE SUMMARY

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

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

Project Cost

- The total project budget is \$18 million with a construction cost of \$13.925 million.

Fiscal Impact and Financing Plan

- Indoor Sports Center is a component of the Intercollegiate Athletics project. See page 2 for the Fiscal Impact and Financing Plan.

Occupancy Plan

- The existing project site is used for outdoor football practice and for Intercollegiate Athletics storage. The adjoining Arizona Stadium would be utilized as a temporary location for these functions while the Indoor Sports Center is under construction.

EXECUTIVE SUMMARY**Capital 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 practice for football and other sports. A multi-use facility that is envisioned to benefit multiple sports which will also serve as a game day venue providing food, vendors, music, seating and other fan experience amenities. Building will be located on Sancet 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: | |
| • System Revenue Bonds | \$18,000,000 |
| (Debt Service Funding Sources:) | |
| Operation/Maintenance: | |
| • Other Local Funds | \$312,500 |

EXECUTIVE SUMMARY**Capital Project Budget Summary**

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

**Capital Development Plan
Approval**

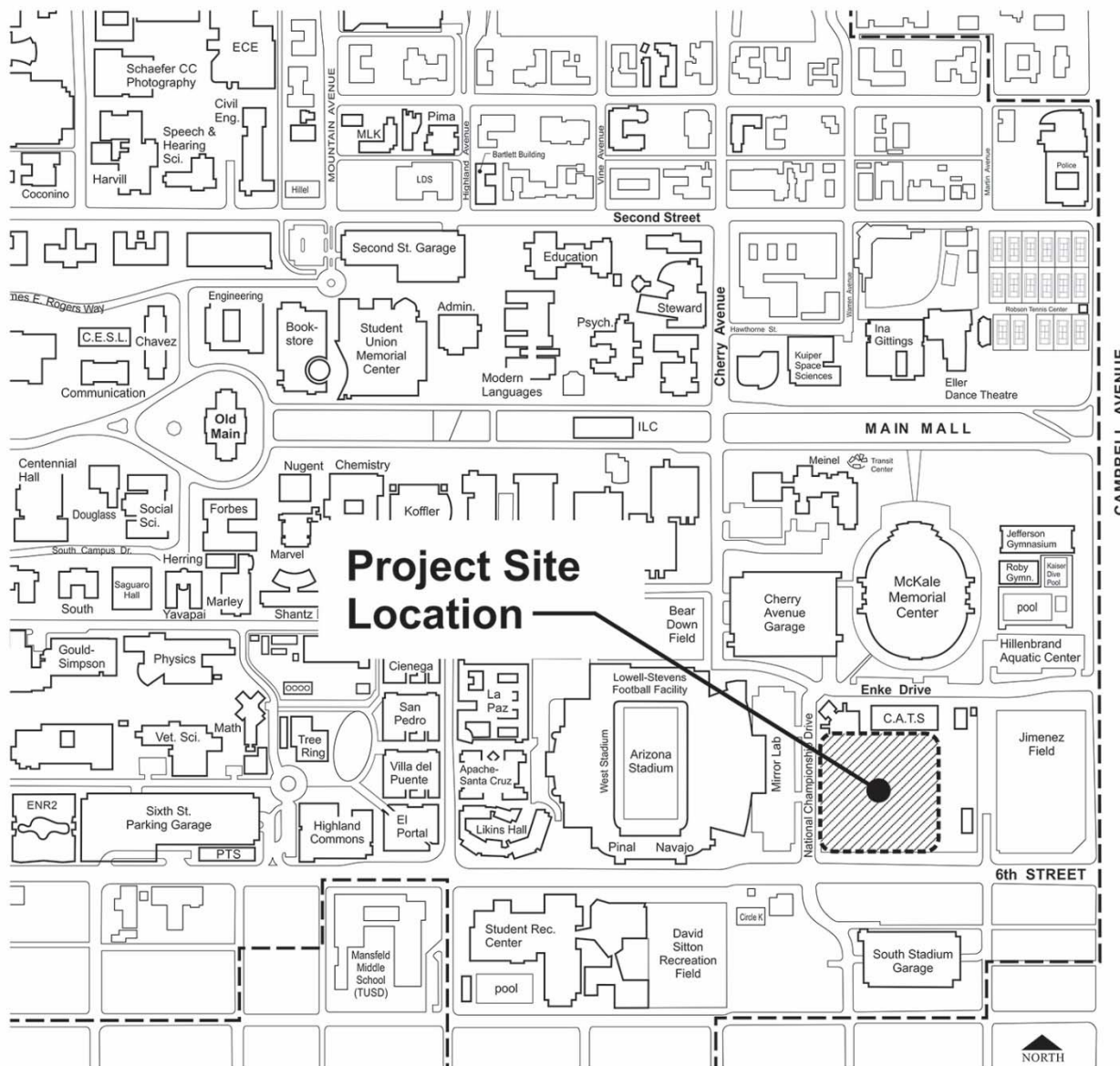
Date of Budget Estimate

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) | | 550,000 |
| Subtotal Construction Cost | \$ | 13,925,000 |
| 2. Consultant Fees | | |
| A. Construction Manager | | 135,000 |
| B. Architect/Engineering Fees | | 1,225,000 |
| C. Other (commissioning) | | 60,000 |
| Subtotal Consultant Fees | \$ | 1,420,000 |
| 3. Furniture Fixtures and Equipment | | 600,000 |
| 4. Contingency, Design Phase | | 675,000 |
| 5. Contingency, Construction Phase | | 675,000 |
| 6. Parking Reserve | | 0 |
| 7. Telecommunications Equipment | | 125,000 |
| Subtotal Items 4-8 | \$ | 2,075,000 |
| 8. Additional University Costs | | |
| A. Surveys and Tests | | 65,000 |
| B. Move-in Costs | | 0 |
| C. Public Art | | 0 |
| D. Printing/Advertisement | | 15,000 |
| E. Univ. Facilities & Project Management | | 400,000 |
| F. State Risk Mgt. Ins | | 100,000 |
| Subtotal Additional University Costs | \$ | 580,000 |
| TOTAL CAPITAL COST | \$ | \$18,000,000 |

EXECUTIVE SUMMARY

Project Site Location Map



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

Arizona Stadium Improvements

Previous Board Action

- FY 2019-2021 Capital Improvement Plan September 2017

Statutory/Policy Requirements

- Pursuant to Arizona Board of Regents Policy, Chapter 7-102 (B1), all capital projects with an estimated total project cost of \$5 million or more for renovation or infrastructure projects, or \$10 million or more for new construction or information technology shall be brought to the Business and Finance Committee for approval, regardless of funding source or financing.

Project Justification/Description/Scope

- Intercollegiate Athletics is planning to renovate the east side of the existing football stadium to provide enhanced fan amenities. Primary elements at the ground level, which serve the student seating section, include conversion of a service parking alley into a pedestrian concourse 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.
- The facility infrastructure and systems have exceeded their life expectancy. Life safety, security, and accessibility elements need upgrades to reach current codes and standards. Circulation, restrooms, concessions, seating, fan amenities, and spectator premium spaces do not meet current standards for a Division 1 facility.
- Construction will be phased over two football off-seasons, with work on the ground level occurring during the first phase and the upper levels during the second phase. The first phase during the 2018 off-season will include renovations in the student seating section; conversion of vehicular areas underneath the east bowl into a pedestrian concourse; construction of additional concession stands and restrooms; and modifications to the entry gates at the southeast corner of the stadium. The second phase during the 2019 off-season will include renovations to the 100 level concourse; construction of additional concession stands and restrooms; and renovations to the Stadium Club.

Project Delivery Method and Process

- 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 project, improving potentially adversarial project environments and still allowing for the selection of the most qualified architect-contractor team for this project. With the use of an independent cost estimate at each phase, and low-bid subcontractor work for the actual construction, this method also provides a high level of cost and quality control.
- The Design-Builder provides a Guaranteed Maximum Price (GMP) based upon the amount previously agreed upon in the Design-Build agreement. The Design-Builder is at risk to provide the completed project within that price. In the selection of major 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

- This project was included in the FY 2019-2021 Capital Improvement Plan which was approved by the Board in September 2017.
- This project is in the planning phase, with construction of Phase 1 scheduled to begin early 2018 with completion in August 2018.
- Phase 2 construction is scheduled to begin early 2019 with completion in August 2019.

Project Cost

- The total project budget is \$25 million with a construction cost of \$18.97 million.

Fiscal Impact and Financing Plan

- Arizona Stadium Improvements is a component of the Intercollegiate Athletics project. See page 2 for the Fiscal Impact and Financing Plan.

EXECUTIVE SUMMARY

Occupancy Plan

- Construction would be phased to occur during the next two football off-seasons so the use of the stadium will not be impacted.

EXECUTIVE SUMMARY**Capital Project Information Summary****University:** The University of Arizona**Project Name:** Arizona Stadium Improvements**Project Description/Location:**

Intercollegiate Athletics is planning to renovate the east side of the existing football stadium to provide enhanced fan amenities. Primary elements at the ground level, which serves the student seating section, include conversion of a service parking alley into a pedestrian concourse 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.

Project Schedule:

| | |
|------------------------|----------------|
| Planning | August 2017 |
| Design | September 2017 |
| Construction – Phase 1 | January 2018 |
| Occupancy – Phase 1 | August 2018 |
| Construction – Phase 2 | January 2019 |
| Occupancy – Phase 2 | August 2019 |

Project Budget:

| | |
|--------------------------|--------------|
| Total Project Cost | \$25,000,000 |
| Direct Construction Cost | \$18,970,000 |

Change in Annual Oper./Maint. Cost

| | |
|-----------|-----|
| Utilities | N/A |
| Personnel | N/A |
| Other | N/A |

Funding Sources:

| | |
|------------------------|--------------|
| Capital: | |
| • System Revenue Bonds | \$25,000,000 |
| Operation/Maintenance: | N/A |

EXECUTIVE SUMMARY**Capital Project Budget Summary****University:** The University of Arizona **Project Name:** Arizona Stadium Improvements**Capital Development Plan
Approval****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. Other (inflation) | 1,100,000 | |
| Subtotal Construction Cost | \$ | 18,970,000 |
| 2. Consultant Fees | | |
| A. Construction Manager | 190,000 | |
| B. Architect/Engineering Fees | 1,900,000 | |
| C. Other (commissioning) | 200,000 | |
| Subtotal Consultant Fees | \$ | 2,290,000 |
| 3. Furniture Fixtures and Equipment | 500,000 | |
| 4. Contingency, Design Phase | 950,000 | |
| 5. Contingency, Construction Phase | 950,000 | |
| 6. Parking Reserve | 300,000 | |
| 7. Telecommunications Equipment | 250,000 | |
| Subtotal Items 4-8 | \$ | 2,950,000 |
| 8. Additional University Costs | | |
| A. Surveys and Tests | 65,000 | |
| B. Move-in Costs | 0 | |
| C. Public Art | 0 | |
| D. Printing/Advertisement | 5,000 | |
| E. Univ. Facilities & Project Management | 585,000 | |
| F. State Risk Mgt. Ins | 135,000 | |
| Subtotal Additional University Costs | \$ | 790,000 |
| TOTAL CAPITAL COST | \$ | \$25,000,000 |

EXECUTIVE SUMMARY

Project Site Location Map

