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Agenda
FACILITIES AND PROPERTY COMMITTEE
October 28, 2015

9:20 A.M.

Claiborne Building, First Floor
Louisiana Purchase Room 1-100
1201 North Third Street
Baton Rouge, LA 70802

- I. Call to Order**
- II. Roll Call**
- III. Consent Agenda (Small Capital Project Report)**
 1. LSU A&M: Tiger Park Outfield Terrace
- IV. 3rd Party Project Requests**
 1. La Tech: Student Housing Phase III
 2. ULM: Student Event Center
- V. BoR FY2016-17 Capital Outlay Budget Recommendation**
- VI. Other Business**
- VII. Adjournment**

Committee Members: Richard Lipsey, Chair; Edward Markle, Vice Chair; Raymond Brandt; Chris Gorman; Patrick Harrington, Collis Temple III; Louisiana Community and Technical College System Representative; Louisiana State University System Representative; Southern University System Representative; and University of Louisiana System Representative

Executive Summary

Facilities and Property October 28, 2015

- I. Call to Order**
- II. Roll Call**
- III. Consent Agenda (Small Capital Project Report)**

In accordance with the Facilities Policy, small capital project proposals are reviewed by staff and approved where appropriate, and thereafter, reported at the next meeting of the Facilities and Property Committee. BoR staff may approve small capital projects internally ranging from \$175,000 to \$1,000,000 without seeking further approval of the Board or Facility Planning & Control (FP&C).

Staff approved the following small capital projects since the previous report:

- 1. Louisiana State University and A&M College: Tiger Park Outfield Terrace – Baton Rouge, LA**

The outfield berm in LSU's Tiger Park (women's softball) is a popular place for fans to watch games, but the existing berm is fairly steep. This project re-shapes the berm and adds two 2' brick retaining walls to create slopes configured for comfortable lawn seating. The project scope includes earthwork, grading, masonry, Bentonite waterproofing, metal hand rail fabrication, subsurface drainage, irrigation, and turf installation. The total estimated cost of the project is \$300,000 using Auxiliary funds.

The Senior Staff recommends approval of the consent agenda for the small capital project report as presented.

- IV. 3rd Party Project Requests**

- A. Louisiana Tech University**

The University of Louisiana System (ULS) submitted two 3rd party projects and associated leases for consideration by the Board. The first project involves the development, construction, renovation, and equipping of approximately 878 beds of replacement student housing facilities and the development of new parking on the Louisiana Tech University (La Tech) campus. Beginning in 2003, La Tech implemented its 1st planned phase of replacement student housing by completing construction of a 448 bed on-campus student apartment project in thirteen apartment style buildings. The 2nd phase commenced in 2007 and constructed 508 beds of new on-campus student apartment housing on two separate campus sites. The 2007 project replaced 750 existing residence hall beds which were demolished as part of the development plan.

The current La Tech housing stock consists of 956 beds of apartment style housing and 1,494

beds of traditional dormitory style housing. The 3rd phase of the housing development plan comprising approximately 878 beds of residential suites and apartments along with 1,000 new parking spaces will begin construction in the spring of 2016 (pending Board approval). The new suites will be able to accommodate 602 students, including Resident Assistants, and the apartments will accommodate 275 students. The new housing will replace three of the older campus facilities with modern, updated student housing designed for freshman and sophomore students. The combined housing project will encompass 16 new 3-story buildings on campus. Specific construction, demolition, renovation and parking modifications will be phased to meet the necessary needs of student housing throughout the construction period. Construction of the 3rd phase of student housing will take approximately 18 months.

Financing and construction of the Phase III Student Housing will be accomplished through a Ground and Buildings Lease and a Facilities Lease agreement between La Tech and Innovative Student Facilities, Inc. The completed facilities will be leased back to the institution for its use. The Facilities Lease will provide for payment of the debt service on the proposed revenue bonds to be issued by the Louisiana Local Government Environmental Facilities and Community Development Authority. The total bond issuance will be approximately \$100M amortized over a period not to exceed 31 years, and the debt will be secured and payable by rental payments and parking permit revenues paid to Innovative Student Facilities, Inc. The project includes a maintenance reserve fund for future maintenance issues. The UL Board and University will not pledge its full faith and credit to make any debt service payments on the bonds.

B. University of Louisiana - Monroe

The second 3rd party project and associated leases submitted to the Board for consideration involve the construction of a Student Event Center on the ULM campus by renovating/re-purposing the current Oxford Natatorium. The Natatorium is located on a prime location on the main campus, and the facility currently is not being used by the University. A recently completed master plan for all campus facilities identified a need for a strategically located meeting/event facility on campus. The Natatorium provides an excellent site to repurpose into a meeting/event center for ULM that will also include a practice area for the University spirit groups.

ULM envisions holding University events in the facility – meetings, conferences, dances, small concerts, social gatherings, etc., and when the University is not using the facility the plan is to rent the facility out for community events such as social gatherings, wedding receptions, etc. In addition to the meeting/event space, ULM will use a portion of the facility for student spirit groups such as cheerleaders, dance team, and other similar organizations. There will be a practice area, small locker room, and storage area for equipment.

The Natatorium's building envelope is in good condition, but the facility will require a new roof. In addition to the roof, the project scope requires replacement of the HVAC system and renovation of space to bring the facility into compliance with current ADA and applicable building codes. The facility will also include some outdoor areas on the bayou that are inviting and easily accessible to building occupants.

The University will enter into lease agreements with ULM Facilities Inc. (ULMFI) using the standard lease/lease back agreements. The project will be administered by ULMFI (501(c)3) who will complete the renovation project and then lease the facility back to the University upon completion of construction. ULM students voted on a student fee to provide financing for the

project. The estimated project total is \$7M, and the project includes a maintenance reserve fund for future maintenance issues. ULM will not incur any debt as a result of the project, and the University's land/property will not be used as a security for the ULMFI loan. Pending Board approval, construction is scheduled to begin in March 2016 and be completed in approximately one year (March 2017). The renovated facility will comprise approximately 43,000 SF.

The Senior Staff recommends that the Board of Regents approve the two 3rd party projects submitted by the University of Louisiana System, on behalf of Louisiana Tech University and the University of Louisiana – Monroe to construct replacement student housing and a Student Event Center respectively.

V. Board of Regents FY2016-17 Capital Outlay Budget Recommendation

The Board of Regents FY2016-17 Capital Outlay Budget Recommendation's (C.O. Rec.) focus stressed emergency repairs, Major Repairs/Deferred Maintenance, and renovation projects. No requests for new construction were included in this year's C.O. Rec. with the exception of projects already in the state's funding pipeline. The renovation of existing space and adaptive reuse of facilities through functional modifications, infrastructure projects, and mechanical/electrical/HVAC system upgrades remain viable projects in light of deteriorating systems across all campuses.

Regent Richard Lipsey and Chris Herring conducted site visits to multiple institutions within all four public post-secondary systems between late August and early October to gain a better understanding of each institution's capital outlay requests and to see first-hand the condition of facilities around the state. The site visits validated that the focus of the FY2016-17 C.O. Rec. should be on maintaining and/or renovating current facilities - not constructing new buildings. With the elimination of Facility Planning and Control's (FP&C) Roofing Program, roofing system repairs and replacements are a dire need across the state. In a different approach from prior years, staff submitted a consolidated request for both roofing and Major Repair/Deferred Maintenance needs in the current submission that will be administered by Board staff in conjunction with FP&C.

As required by law, institutions submitted project requests through their respective management boards who in turn prioritized the projects among all member institutions and forwarded the system request to staff. In addition, eCORTS documents were prepared and submitted electronically for each project. Staff began with the recommendation from last year in order to maintain consistency from year to year. Projects that were fully funded by the legislature and the Bond Commission since last year were placed under the Reauthorization category or removed from the C.O. Rec. In some instances priorities changed, resulting in projects appearing lower in the BoR prioritization compared to FY2015-2016, or projects were simply no longer requested by the management boards.

The BoR's FY2016-17 C. O. Rec. prepared by staff will be loaded separately and will be sent to FP&C and the Division of Administration (DOA). During the Facilities and Property Committee hearing, staff anticipates going through projects where necessary and answering any questions. Representatives from the four management boards and many of the institutions will also be in attendance. Upon Board approval, the Capital Outlay Recommendation will be submitted to FP&C by the November 1st deadline.

The Senior Staff recommends the Facilities and Property Committee approve the Board of Regents FY2016-2017 Capital Outlay Budget Recommendation as presented, and authorize staff to submit the BoR's FY2016-2017 Capital Outlay Budget Recommendation to Facility Planning & Control and the Division of Administration no later than the November 1, 2015 deadline.

VI. Other Business

VII. Adjournment