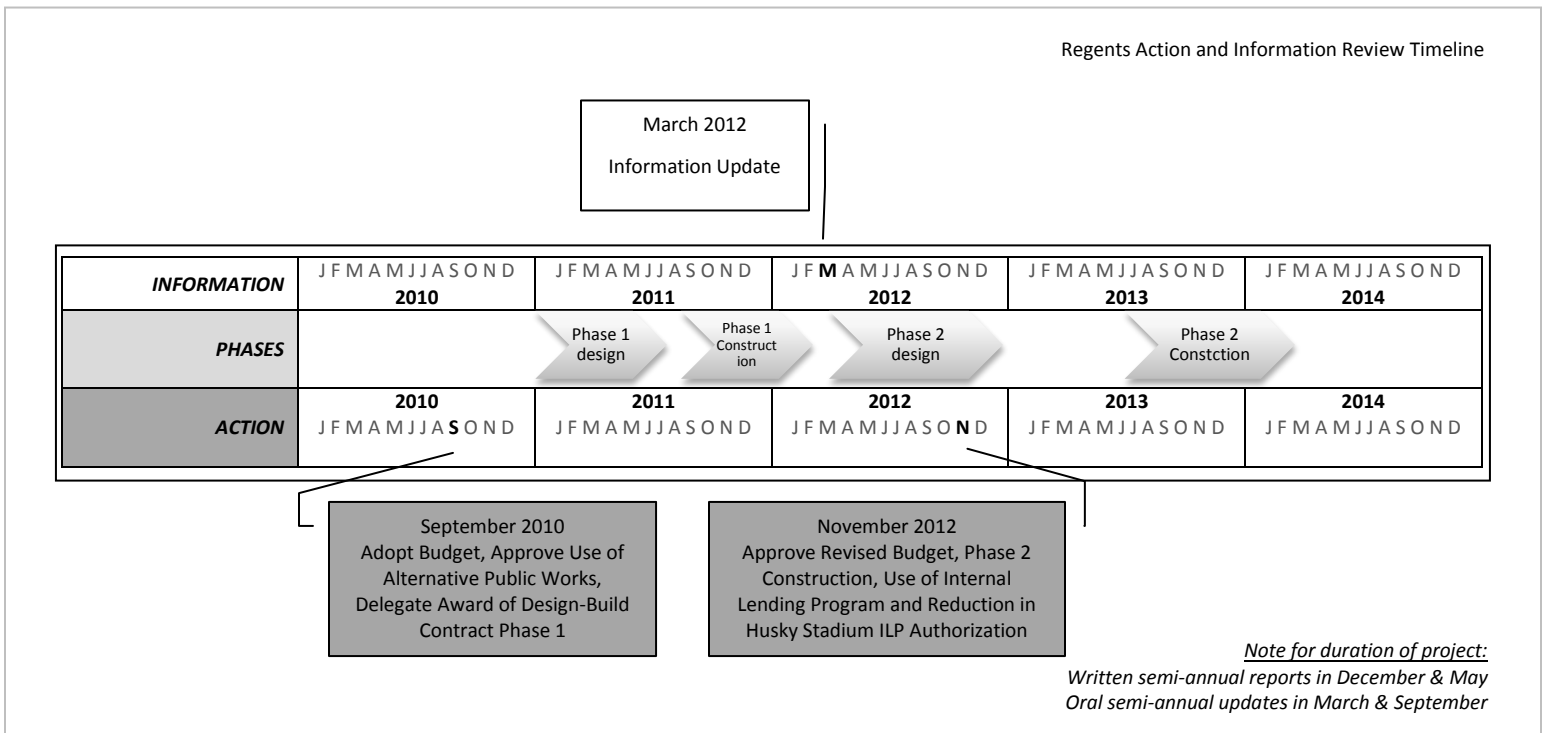


VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Husky Ballpark Project – Approve Revised Budget, Approve Phase 2 Construction, Approve Use of Internal Lending Program, and Approve Reduction in Husky Stadium ILP Authorization



RECOMMENDED ACTIONS

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve:

- 1) increasing the Husky Ballpark Project budget from \$13,509,000 to \$19,500,000;
- 2) beginning construction on the Phase 2 Husky Ballpark Grandstands;
- 3) using the Internal Lending Program to fund up to \$15 million for design, construction and financing costs for the project; and
- 4) reducing the Husky Stadium ILP authorization by \$15 million to \$246.5 million.

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Husky Ballpark Project – Approve Revised Budget, Approve Phase 2 Construction, Approve Use of Internal Lending Program, and Approve Reduction in Husky Stadium ILP Authorization (continued, page 2)

BACKGROUND

This Design-Build project was separated into two phases: Phase 1 Team Building and Phase 2 Grandstands. The Design-Build selection process, completed in December 2010 with Architectural Commission recommendation, resulted in the selection of the team of Bayley Construction and SRG Architects and a schematic design for both phases including a corresponding cost. The Design-Build team was given a notice to proceed with the Phase 1 Team Building only and construction was completed and the building was occupied in February 2012.

Subsequent to an informational update to the Board of Regents in March 2012, Intercollegiate Athletics (ICA) proceeded with the design and permitting only for the Phase 2 Grandstands. This work includes: completion of the documentation and applying for the Master Use Permit; completion of the design and construction drawings; and applying for the Building Permit.

PROJECT DESCRIPTION

The Husky Ballpark field was relocated in 1995 to its current location on the east campus, and a new playing field with an artificial infield surface was constructed. Over the years, a number of improvements have been added including: field lighting; an enclosed practice batting facility; upgraded infield playing surface; dugouts; and batter's eye. Facilities for the coaches and players remained off-site in the Graves Annex building and the Hec Edmundson Pavilion. Spectator facilities consist of "temporary" wooden bleachers, portable toilets, a small concessions trailer and gravel walking surface. Attempts to build a proper grandstand with adequate team and spectator facilities have not been successful, and the overall ballpark, though having probably the best physical location in the Pac 12, is considered one of the worst overall ballparks.

PROJECT SCOPE

The Husky Ballpark Project will add on to the present playing field in its current location. The project is envisioned as two phases. Phase 1 Team Building, completed and occupied in February 2012, constructed a 9,000 gross square feet two-story building located adjacent to the right field foul line to provide a home for the baseball team. Included are a team locker room, training room, showers and toilets, meeting rooms, offices for coaches, locker room for umpires, an elevator and a field-viewing deck.

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Phase 2 Grandstand will construct facilities for spectators and press located behind home plate and extending down each foul line. Included will be: seating for approximately 2,500; partial roof; press box; home and visitor dugouts; ticketing office, concessions, public restrooms; site development including grading, paving, drainage, fencing, utilities, lighting, and signage.

Design and permitting for the Phase 2 Grandstands is being completed, the Master Use Permit was applied for in July, and the Building Permit was applied for in October. The plan is to be able to start construction at the end of the baseball season in June 2013, and complete the Grandstands in February 2014 in time for the 2014 baseball season.

SCHEDULE

Design-Build Team Selection	September to December 2010
Contract Award	December 2010
Phase 1 Design	January to July 2011
Phase 1 Construction	July 2011 to February 2012
Phase 2 Design and Permitting	March 2012 to December 2012
Phase 2 Construction	June 2013 to February 2014

PREVIOUS REGENT ACTIONS

At the March 2012 meeting, the schematic design was reviewed and a project update was given which included proceeding with the design and permitting work.

At the October 2011 meeting, the Board of Regents approved naming the Phase 1 Team Building the “Wayne Gittinger Baseball Team Building.”

At the September 2010 meeting, the Board of Regents approved: the project budget be established at \$13,509,000 for the Husky Ballpark Project; the use of alternative public works utilizing the Design-Build process; and the President be delegated authority to award design-build contract including Phase 1, subject to the scope, budget and funding remaining within 10% of the established budget.

CONTRACTING STRATEGY

The recommendation of the Capital Projects Office (CPO) was to use the alternate public works contracting procedure, Design-Build, authorized by RCW 39.10 for

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design and construction of this project. The use of the Design-Build process is appropriate for a number of reasons. The space program, site planning and conceptual design has been previously completed as a gift in place to the University, and will result in minimal user feedback during the design completion effort. This previous work will form the basis for the project proposal performance specifications. The grandstand seating system technology is highly specialized and a design-build approach is critical in developing the construction methodology. There are a number of advantages with this process. By completing the schematic design process for both phases at one time, the overall ballpark design will be coordinated and integrated as one complete design. The competitive proposal process resulted in a number of design options that allowed the University to choose based on design appropriateness, technical quality and cost effectiveness. The University had a design and associated cost for Phase 2 to inform the funding raising, and to be able to initiate the completion of this phase quickly.

BUDGET SUMMARY

At the September 2010 Regents meeting, a total project budget was approved for \$13,509,000 with Phase 1 Team Building budgeted at \$3,500,000 and Phase 2 Grandstands budgeted at \$10,009,000. The Design-Build proposal selected in December 2010 resulted in a slightly higher cost for Phase 1 and lower cost for Phase 2. During the Phase 1 Team Building design development phase, a number of additional scope and design refinements (such as increasing the size of the locker room and adding brick to the exterior) were added to the design for a project cost increase of approximately \$1,000,000. At the completion of construction, the Phase 1 Team Building project cost forecast is approximately \$4,500,000.

At the March 2012 informational meeting, the budget forecast for Phase 1 Team Building was \$4.5 million and Phase 2 Grandstands was \$9.4 million. During the design development phase, a number of added scope and design refinements (such as a revised entry and plaza, exterior brick, increased roof size, glass enclosures for wind protection, graphics, television production provisions, and a player development facility with pitching and batting cages) were added to the design for a project cost increase of approximately \$5,600,000. The Phase 2 Grandstands project cost forecast is \$15,000,000 for a forecast total project cost of \$19,500,000.

See Attachment for Project Budget Summary.

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Husky Ballpark Project – Approve Revised Budget, Approve Phase 2 Construction, Approve Use of Internal Lending Program, and Approve Reduction in Husky Stadium ILP Authorization (continued, page 5)

FINANCING PLAN

Phase 1 of the Husky Ballpark Project was funded with \$4.5 million consisting of gifts and ICA reserves. Phase 2 of the Husky Ballpark Project will be funded with \$2 million in expected gifts and a \$13 million ILP loan. It has been included in the One Capital Plan and the associated debt service has been projected by ICA in their October SABRe (Semi-Annual Borrower Report) report.

The maximum \$15 million authorization for the ballpark is occurring in conjunction with a reduction by the same amount for Husky Stadium. When the stadium was approved by the Regents in November 2010, the proforma was tested at a maximum \$250 million loan, since the amount of gifts was uncertain at that time. At the November 2011 meeting, the use of the Internal Lending Program was increased to \$261.5 million to reflect the addition of the Sports Medicine and Sports Performance Center to the Husky Stadium project scope. As the project has progressed and stadium gifts have been received as expected, ICA no longer needs the full borrowing authority for the stadium.

Sources and uses for the Husky Ballpark Project are below (\$000):

Sources of Funds

Reserves/Gifts Phase 1	4,500
Reserves/Gifts Phase 2	2,000
ILP Loan	13,000
Total Sources of Funds	19,500

Uses of Funds

Phase 1 Team Building	4,500
Phase 2 Grandstands	15,000
Total Uses of Funds	19,500

NOTE: Total project cost and debt includes 1% cost of issuance on the ILP draws.

Annual Debt Service is \$894,500 (30 years at 5.5%)

ICA expects to begin drawing on the loan in June 2013 and will pay interest-only on the loan until the ballpark is completed in February, 2014, when principal and interest will be paid.

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Husky Ballpark Project – Approve Revised Budget, Approve Phase 2 Construction, Approve Use of Internal Lending Program, and Approve Reduction in Husky Stadium ILP Authorization (continued, page 6)

REVIEW AND APPROVALS

This recommendation has been reviewed and approved by the Athletic Director, the Senior Vice President, and the Vice Provost for Planning and Budgeting. The structure of the transaction and the viability of the financing plan have been reviewed by Intercollegiate Athletics and the Treasury Office.

Attachment

Project Budget Summary

Husky Ballpark Project

Project Budget Summary

	<u>Actual Phase 1 Team Building</u>	<u>Previous Phase 2 Grandstands</u>	<u>Previous Total Both Phases</u>	<u>Revised Phase 2 Grandstands</u>	<u>Revised Total Both Phases</u>	<u>% of Total Project Cost</u>
Consultants	\$277,627	\$0	\$277,627	\$0	\$277,627	1.4%
Predesign	\$277,627	\$0	\$277,627	\$0	\$277,627	1.4%
Other Design	\$42,967	\$100,000	\$142,967	\$100,000	\$142,967	0.7%
Design/Construction	\$3,422,801	\$6,829,565	\$10,252,366	\$11,527,043	\$14,949,844	76.7%
Hazardous materials	\$0	\$110,000	\$110,000	\$124,000	\$124,000	0.6%
Contingencies	\$0	\$990,844	\$990,844	\$863,844	\$863,844	4.4%
Sales Tax	\$325,166	\$648,817	\$973,983	\$1,095,069	\$1,420,235	7.3%
Design-Build	\$3,790,934	\$8,679,226	\$12,470,160	\$13,709,956	\$17,500,890	89.7%
Equipment	\$0	\$50,000	\$50,000	\$256,119	\$256,119	1.3%
Furnishings	\$132,381	\$50,000	\$182,381	\$50,000	\$182,381	0.9%
Special Construction	\$0	\$61,000	\$61,000	\$151,423	\$151,423	0.8%
Sales Tax	\$0	\$15,295	\$15,295	\$43,466	\$43,466	0.2%
Furnishings/Equip.	\$132,381	\$176,295	\$308,676	\$501,008	\$633,389	3.2%
Fees	\$40,000	\$10,000	\$50,000	\$50,000	\$90,000	0.5%
In-Plant Services	\$13,737	\$14,659	\$28,396	\$14,659	\$28,396	0.1%
Permits	\$286	\$82,404	\$82,690	\$82,327	\$82,613	0.4%
Insurance	\$0	\$8,998	\$8,998	\$8,998	\$8,998	0.0%
UW Technology	\$63,500	\$24,875	\$88,375	\$24,875	\$88,375	0.5%
Campus Engineering	\$11,527	\$27,701	\$39,228	\$27,701	\$39,228	0.2%
Project Management	\$181,555	\$366,929	\$548,484	\$568,929	\$750,484	3.8%
Other	\$310,605	\$535,566	\$846,171	\$777,489	\$1,088,094	5.6%
Total Project Cost	\$4,511,547	\$9,391,087	\$13,902,634	\$14,988,453	\$19,500,000	100.0%