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Committee for Facilities

[Ellis Skinner (Chair), Penny Forrest, John Hatchel]

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Board Meeting Date: February 11, 2016

Proposed Minute Order #: 04-16(c)

Proposed By: Jonathan Hoekstra, Vice Chancellor & Chief Financial Officer

Subject: Approve the Renovation of Building 4AUT at Texas State Technical College in Sweetwater to Expand the Welding Program and to Adapt Building 4BCT to add space for the Diesel Program

Background: The welding program at Texas State Technical College (TSTC) in Sweetwater is currently housed in building 4BCT. The capacity of the present lab is 25 students. The program uses the Mobile Welding Trailer to handle overflow with a capacity of 8 more welding booths. Expanding the facilities will accommodate a larger student capacity for the program. Despite investments made to the program to handle growth in the program, the size of the building is not adequate to provide the environment that meets TSTC standards for safe and efficient learning.

In addition, the Diesel program is housed in building 4DSM which is not adequate in size to support the projected enrollment. This flagship program is currently operated in an environment that is not efficient or effective for the present enrollment and not adequate for enrollment growth. Adapting space in 4BCT will improve the space needed for present enrollment and allow for growth in the program.

Justification: Both programs were identified as opportunity for growth and expansion in the 2013 West Texas Master Plan prepared By Parkhill Smith and Cooper Architects. This project will create an opportunity for both growth and increased revenue at Texas State Technical College Sweetwater.

Additional Information: In addition to adding tuition revenue and being strong contributors to TSTC's returned value funding formula, students in these programs will be targeted residential students, contributing to auxiliary revenues through increased enrollment in housing and food service services.

Action Schedule: Approve Project and Budget February 2016 MO 04-16
Accept Building Renovation Fall 2016

Fiscal Implications: The project cost of \$1,750,000 will be funded through HEAF Bonds proceeds. Debt service for HEAF bonds is appropriated through the constitutional appropriation. Analysis indicates resulting net revenues will occur within the first year of operations.

Attestation: This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s): Campus Map

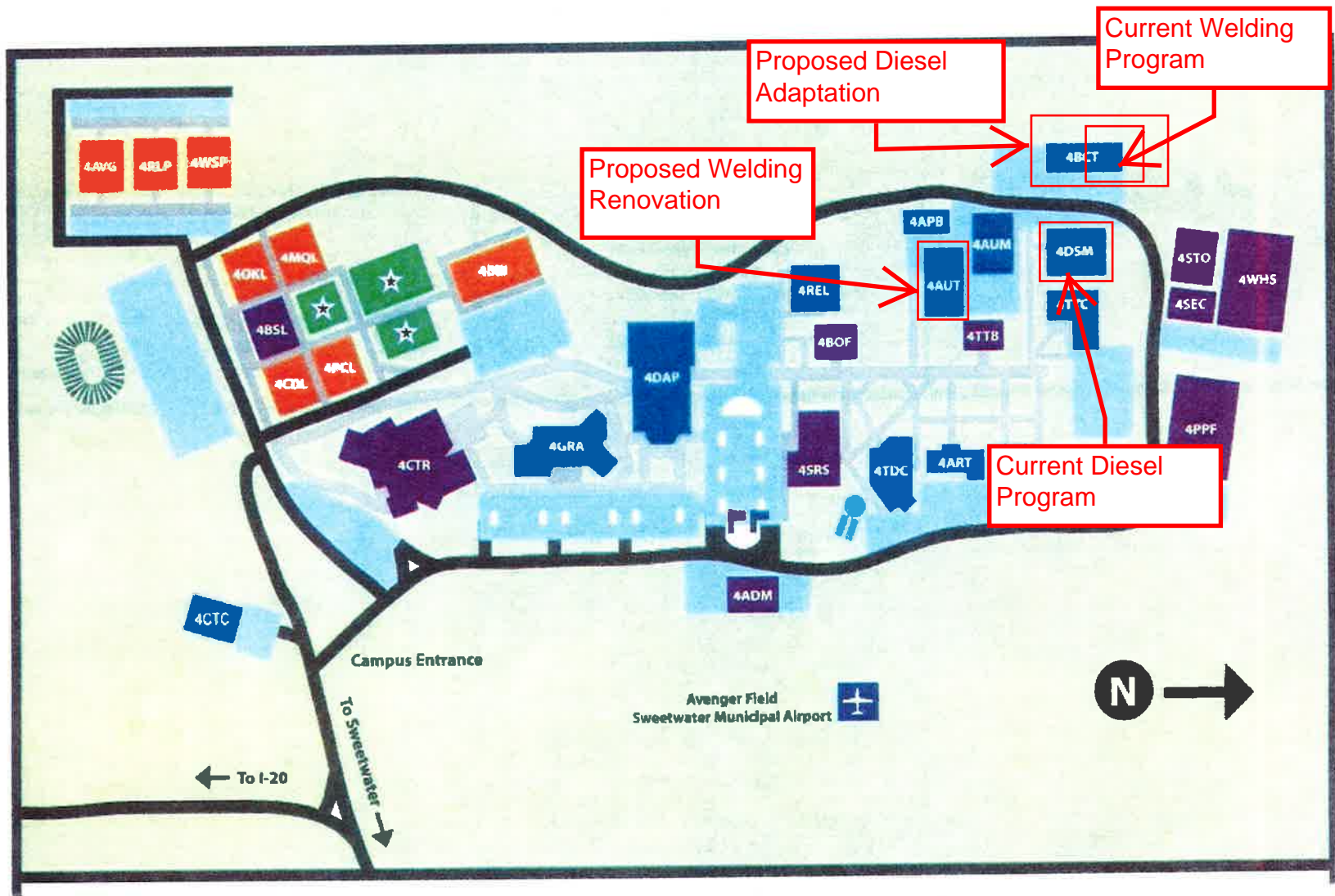
**Recommended
Minute Order:**

“The Board of Regents approves the project and \$1,750,000 budget to renovate building 4AUT and adapt Building 4BCT to expand the Welding and Diesel Programs at Texas State Technical College in Sweetwater. The Board of Regents further authorizes the Chancellor, or his designee, to execute necessary project contracts.”

Recommended By:

A handwritten signature in cursive script, reading "Ray Fried". The signature is written in black ink on a white background.

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction,
and Maintenance





Board Meeting Date: February 11, 2016

Proposed Minute Order #: 05-16(c)

Proposed By: Jonathan Hoekstra, Vice Chancellor & Chief Financial Officer

Subject: Approve Assumption of Contracts for “Finish Out” of the Industrial Technology Center at Texas State Technical College in North Texas Required to Execute Facility Purchase from The TSTC Foundation and Approve Increase of Contract Scope and Price of Assumed Construction Contract

Background: By MO 15-16 Fiscal Affairs is requesting the Board of Regents approve the purchase of the Industrial Technology Center at Texas State Technical College (TSTC) in North Texas.

To ensure improvements were made in advance of the Fall 2016 semester, The TSTC Foundation (Foundation) entered into a contract to finish out the second floor and to make other improvements with an Architect and Construction Manager at Risk (CMaR) Contractors. The project is currently in progress and will be in progress on the anticipated date of purchase. The assumed contract amount will be the uncompleted portion of the contract at the time of the Purchase. The original Foundation contract with the Architect and CMaR had a Project budget set at \$1,200,000.

During the programing phase it was determined that additional needs could be met by adding outdoor welding lab storage space. It has been determined that there will be available an additional \$200,000 of funds from The Tuition Revenue Bonds remaining after the purchase of the building to pay for the additional scope needed.

Justification: The finish out of the building will allow all operations for the Red Oak Campus to be housed in the Industrial Technology Center.

It was necessary to start construction of the finish out to insure the building is ready for the enrollment of students in fall of 2016. By assuming the contracts with the purchase of the building, TSTC is able to purchase the building timely resulting in a cost savings in the purchase price and maximize use of available tuition revenue bond proceeds.

Additional Information: None

Fiscal Implications: Contracts assumed from The TSTC Foundation and entered into by TSTC will be financed through tuition revenue bond proceeds.

Attestation: This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s): None

**Recommended
Minute Order:**

“The Board of Regents approves assumption of contracts for “Finish Out” of the Industrial Technology Center at Texas State Technical College in North Texas required to execute facility purchase from The TSTC Foundation and approves the increased contract scope and price of assumed construction contract. The Board of Regents further authorizes the Chancellor, or his designee, to execute necessary project contracts.”

Recommended By:

A handwritten signature in cursive script, reading "Raymond D. Fried".

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction,
and Maintenance



Board Meeting Date: February 11, 2016

Proposed Minute Order #: 06-16(c)

Proposed By: Jonathan Hoekstra, Vice Chancellor & Chief Financial Officer

Subject: Rescission of Minute Order 15-15 Approving the Concept to Expand the Technical Education Facilities on the TSTC North Texas Campus by Expanding the Technical Educational Center (Building One) or Constructing Building Two on the Texas State Technical College North Texas Campus

Background: The project as approved by MO 15-15 was contingent on funding from the proceeds of tuition revenue bonds. During the course of the 84th Regular Legislative Session (the Session), legislative members requested Texas State Technical College (TSTC) submit two exclusive tuition revenue bond project alternatives for the campus at TSTC in North Texas. During the Session, tuition revenue bonds were authorized for the other project alternative in the final bill authorizing tuition revenue bonds.

At this time, another funding source cannot be identified and the project is not anticipated to move forward in the near future. It is therefore prudent to rescind the MO approving this project and when funding becomes available a new MO for approval will be requested based on current information.

Justification: Texas State Technical College continually reviews the status and viability of proposed projects. Occasionally, it is determined that factors have changed on a project which will force the project to be indefinitely delayed or deleted. It is prudent at that time to remove the project from the Facilities Plan.

Additional Information: None

Action Schedule:	Establish Campus	MO 35-13
	Approve Operating Lease at ITC	MO 61-13
	Approve Concept Building Two	MO 15-15
	Rescind MO 15-15	MO 06-16

Fiscal Implications: None

Attestation: This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s): None

Recommended Minute Order: “The Board of Regents rescinds Minute Order 15-15 to Expand the Technical Education Facilities on the TSTC North Texas Campus by Expanding the Technical Educational Center (Building One) or Constructing Building Two on the Texas State Technical College North Texas Campus.”

Recommended By:

A handwritten signature in black ink, reading "Raymond D. Fried". The signature is written in a cursive style with a large initial 'R' and 'F'.

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction,
and Maintenance

Board Meeting Date: February 11, 2016

Proposed Minute Order #: 07-16(c)

Proposed By: Jonathan Hoekstra, Vice Chancellor & Chief Financial Officer

Subject: Approve the Project Budget for Replacing the Water and Sewage Systems infrastructure at Texas State Technical College in Waco, Excluding the Area Dedicated for Family Housing

Background: Texas State Technical College (TSTC) in Waco owns and maintains approximately 74,000 linear feet of water pipelines, along with a similar amount of sewage lines, which were installed when the former James Connally Air Force Base was constructed in the early 1940s through the 1950s. The water system is approaching the end of its practical life so TSTC must continually flush water from fire hydrants to meet TCEQ water quality standards, which is critical to the mission of the College.

By Minute 47-14(c), the Board of Regents approved the concept for this project. The project will allow for the reduction of flushing water from the fire hydrants and the ability to meet TCEQ water standards, which is critical for the mission of the College. The administration recommends to the Board of Regents approve the project budget in the amount of \$8,700,000.

Justification: This project will allow the water and sewage systems to be replaced on the campus, excluding the area dedicated for housing, and allow a reduction on utility cost associated with repairs and flushing as well as increase the water quality across the campus.

Additional Information: None

Action Schedule:

Approve Concept	MO 47-14
Approve Budget	MO 07-16
Accept Project	

Fiscal Implications: The project will be funded through HEAF Bonds proceeds.

Attestation: This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s): None

**Recommended
Minute Order:**

“The Board of Regents approves the project budget \$8,700,000 for the replacement of Water and Sewage Systems infrastructure at Texas State Technical College in Waco, Excluding the Area Dedicated for Family Housing. The Board of Regents further authorizes the Chancellor, or his designee, to execute necessary project contracts.”

Recommended By:

A handwritten signature in black ink, reading "Raymond D. Fried". The signature is written in a cursive style with a large initial "R".

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction,
and Maintenance

Board Meeting Date: February 11, 2016 **Proposed Minute Order** 08-16(c)

Proposed By: Jonathan Hoekstra, Vice Chancellor & Chief Financial Officer

Subject: Approve the Project Budget for the Industrial Technology Center at Texas State Technical College in Abilene

Background: By Minute Order 49-14(c), the Texas State Technical College (TSTC) Board of Regents approved the concept to expand the TSTC campus at Abilene by accepting donated land and construction of a new Industrial Technology Center. The plan at that time was contingent on the legislative appropriations of Tuition Revenue Bonds (TRB) in the amount of \$12,000,000, local Contributions of \$6,000,000, which includes land and cash donations, and appropriations of startup funding for both operational expenses and program equipment for the facilities.

The 84th Legislature authorized TSTC to sell TRB in the amount of \$12,000,000 however Legislature did not appropriate the transition funding needed to fund operating capital and equipment needed to operate under the original project scope.

Based on realized funding, TSTC revised the plan to reduce the scope of the facilities with a project budget of \$12,000,000 including needed equipment. Community support under this new plan would be applied to land and the operating cost of the new facility. If the Local Community donation exceeds the initial \$6,000,000 contribution sought, the scope and budget for the building will be expanded accordingly. An increase greater than 10% of the approved budget will require BOR approval.

Justification: Establishing a stronger foothold, an increased presence in the Abilene area, and offering Industrial Technology programs was identified as an opportunity for growth and performance in the 2012 West Texas Master Plan prepared by Parkhill Smith and Cooper. Proceeding with this project, although reduced in scope, will establish a greater presence in an area with a relative high population, and opportunity for future growth.

Additional Information: TSTC will perform an extensive program analysis to determine the best programs to be included in the new facilities. Programs being considered include welding and industrial maintenance however the results of our programming phase will determine the programs best suited for success and growth.

Action Schedule:	Approve Concept	MO 49-14
	Approve Budget	MO 08-16
	Accept Building Renovation	Fall 2017

Fiscal Implications: The project cost of \$12,000,000 will be funded through Tuition Revenue Bond proceeds. Operating costs will be covered through local contributions and resources repurposed from other operations at TSTC in West Texas.

Attestation: This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment: None

Recommended Minute Order: “The Board of Regents approves the project budget of \$12,000,000 to construct the Industrial Technology Center for Texas State Technical College in Abilene. The Board of Regents further authorizes the Chancellor, or his designee, to execute necessary project contracts.”

Recommended By:

A handwritten signature in black ink, appearing to read "Ray Fried". The signature is written in a cursive style with a large initial "R" and "F".

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance

Texas State Technical College
Major Facility Projects-Status Update
February 2016

Project Name	Campus	Managing Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Complete
1 Renovation of Building 20SS for Allied Health Programs	Harlingen	Harlingen	Competitive Sealed Proposal	Local Revenue Bonds \$ 1,600,000	Architect/Engineer \$ 201,960 Construction 1,300,000 Owners Cost 98,040 \$ 1,600,000	Approve Concept MO 65-11 Approve Budget MO-16-14 Acceptance Fall 2016	13%
2 Renovation of Building 20PM as Engineering Center (Phase 2)	Harlingen	Harlingen	Construction Manager At Risk	Tuition Revenue Bonds \$ 3,750,000	Architect/Engineer \$300,000 Construction 3,000,000 Owners Cost 450,000 \$ 3,750,000	Approve Concept MO 34-13 Approve Budget MO 55-15 Issue Bonds Spring 2016 Acceptance Fall 2017	0%
3 Central Chiller Plant Engineering and design	Harlingen	Harlingen	Request for qualifications	Designated Tuition \$ 40,000 HEAF Bonds 605,000 Total \$ 645,000	Engineering / Design \$ 599,500 Owners Cost 45,500 \$ 645,000	Approve Concept and design project MO 19-14 Issue Bonds Spring 2016 Accept Design Summer 2016	7%
4 Replace Central Chiller Plant	Harlingen	Harlingen	Construction Manager At Risk	HEAF Bonds \$ 8,000,000	Construction \$ 7,900,000 Owners Cost 100,000 \$ 8,000,000	Approve Concept MO 19-14 Issue Bonds Spring 2016 Approve Budget Summer 2016 Accept Project Fall 2017	0%
5 Expand Texas State Technical College in Fort Bend County	Fort Bend County	Sweetwater and Harlingen	Accept Donated Land and Lease Facility From The TSTC Foundation	Plant Funds (to be reimbursed) \$ 1,000,000 Equipment TPFA 5,000,000 Total \$ 6,000,000	Limited Recourse Promissory Note \$ 1,000,000 Equipment TPFA \$ 5,000,000 Total \$ 6,000,000	Approve Concept to accept donated land MO - 44-14 Approve Concept to Lease Bldg. One MO-45-14 Approve Limited Recourse Promissory Note EA 01-15 Accept Land MO 13-15 Approve ground Lease to The TSTC Foundation MO 17-15 Approve operating lease from The TSTC Foundation MO 18-15 Completion Fall 2016	36%
6 TSTC Campus Phase Two in Fort Bend County	Fort Bend County	Harlingen	Construction Manager At Risk	TRB Bonds \$ 14,950,000 Equipment TPFA 2,550,000 Total \$ 17,500,000	A/E \$ 650,000 Construction 13,200,000 Equipment 2,550,000 Owners Cost 1,100,000 \$ 17,500,000	Approve Concept MO 46-14 Approve Budget MO 56-15 Issue Bonds Spring 2016 Accept Project Fall 2017	0%

Texas State Technical College
Major Facility Projects-Status Update
February 2016

Project Name	Campus	Managing Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Complete							
7 Structural and Facility Repairs to the John B. Connally Technology Center	Waco	Waco	Construction Manager At Risk	Designated Tuition	\$ 1,199,262	Architect/Engineer	\$ 355,109	Concept	MO 68-11	Phase I	100%			
				HEAF Funds	800,738	Phase I construction	1,525,783	Appoint Architect	MO 90-11	Phase II	45%			
				Insurance Proceeds	695,669	Phase II Construction	749,567	Appoint CMAR	MO 09-12					
				Total	\$ 2,695,669	Owners Cost	65,210	Approve Design	MO 65-12					
					\$ 2,695,669	Approve GMP P I	MO 66-12	Acceptance Phase I	MO 46-13	Acceptance Phase II	MO 57-15	Acceptance Phase II	Summer 2016	
8 Rehabilitation of Runways, Taxiways, and Apron at the TSTC Waco Airport	Waco	Waco	Design/Bid/Build	FAA/TxDOT Grant	\$ 5,668,209	Architect/Engineer	\$ 500,000	Concept	MO 91-11	95%				
				TSTC Airport Funds	\$ 629,801	Construction	5,798,010	Acceptance	Summer 2016					
					\$ 6,298,010		\$ 6,298,010							
9 Replace Water and Sewer Infrastructure on Main Campus	Waco	Waco	Competitive Sealed Proposal	HEAF Funds	\$8,700,000	A/E Services	\$ 1,462,488	Approve Concept	MO 47-14	0%				
						Construction	7,237,512	Approve project and Budget	MO 07-16					
					\$ 8,700,000		\$ 8,700,000	HEAF Bonding	Spring 2016					
								Accept project	Fall 2017					
10 Renovate Building 1 TEL for The Challenger Learning Center	Waco	Waco	Construction Manager At Risk	Auxiliary Funds	\$ 550,000	Construction	\$ 450,000	Approve Project and Budget	MO 11-15	15%				
						Owners Cost	100,000	Accept Project	Fall 2016					
							\$ 550,000							
11 Renovate Building 1 JBC Third Floor For TSTC Administration	Waco	Waco	Construction Manager At Risk	HEAF Funds	\$ 1,200,000	A/E	\$ 120,000	Approve Concept	MO 40-15	0%				
						Construction	1,080,000	Approve Budget	Summer 2016					
							\$ 1,200,000	Issue Bonds	Spring 2016					
								Accept Project	Fall 2016					
12 Expand TSTC North Texas Expanding Building One or Constructing Building Two	North Texas	Waco	Construction Manager At Risk	TRB Bonds	not authorized	Expand Building One or construct building two	not authorized	Establish Campus	MO 35-13	0%				
								Approved Operating Lease	MO 61-13					
								building one						
								Approve Concept	MO 15-15					
								Issue TRB	Not issued					
								Rescind project	MO 06-16					

Texas State Technical College
Major Facility Projects-Status Update
February 2016

Project Name	Campus	Managing Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Complete		
13 Purchase of the 103,596 square foot Industrial Technology Center, complete finish of shell space, purchase additional equipment	North Texas	Sweetwater and Waco	Purchase Agreement	Tuition Revenue Bonds	\$ 11,040,000	Purchase Building	\$ TBD	Establish Extension at Red Oak TX MO 35-13 Approve Lease MO 61-13 Approve Concept to Purchase Issue Bonds MO 48-14 Spring 2016 Approve Project purchase MO 15-16 Approve Assuming Contracts MO 05-16 Accept Project Fall 2016	0%
						Finish Out Project	Assume Balance		
						Finish Out Add	\$ 200,000		
						Total	\$ 11,040,000		
14 Accept real property and Construct TSTC West Texas Industrial Technology Center	Abilene	Sweetwater	Construction Manager At Risk	Tuition Revenue Bonds	\$ 12,000,000	Architect/Engineer	\$ 750,000	Approve Concept MO 49-14 Issue Bonds Spring 2016 Approve Project and Budget MO 08-16 Accept Project fall 2017	0%
				Gifts and Donations	\$ 6,000,000	Construction	8,450,000		
						Owners Cost	2,800,000		
				Total	\$ 18,000,000	Subtotal Project Cost	12,000,000		
		Land and Opr. Exp.	6,000,000	18,000,000					
15 Renovate Building 4AUT to Expand the Welding Program	Sweetwater	Sweetwater	Construction Manager At Risk	HEAF Bond Proceeds	\$ 1,750,000	Architect/Engineer	\$ 85,000	Approve Project and Budget MO 04-16 Accept Project Fall 2016	0%
						Construction	1,211,000		
						Owners Cost	454,000		
				\$ 1,750,000					