

**DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION**

August 4, 2016

**CLEMSON UNIVERSITY**

**PROJECT NAME:** Tennis Center Construction  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$12,500,000  
**INITIAL CHE APPROVAL DATE:** N/A

<b><u>Source of Funds</u></b>	<b><u>Phase I (Pre-Design)</u></b>	<b><u>Phase II (Construction)</u></b>	<b><u>Total Proposed Budget</u></b>
Athletic Improvement Funds	\$312,500	\$0	\$312,500
Athletic Facilities Revenue Bonds	\$0	\$12,187,500	\$12,187,500
<b>Total</b>	<b>\$312,500</b>	<b>\$12,187,500</b>	<b>\$12,500,000</b>

**DESCRIPTION:**

Clemson University requests to begin design work to construct a new tennis center for the men’s and women’s varsity tennis teams. The existing tennis center and indoor practice facilities were constructed between 1987 and 1993 and are no longer sufficient for Clemson’s needs. The new center will retain and continue to utilize existing tennis facilities, including outdoor competition courts and a 700-seat permanent stadium. The new approximately 48,000-square-foot tennis center will include a six-court indoor tennis facility, a clubhouse containing locker rooms, a training room, equipment rooms, a players’ lounge, laundry and coaches’ offices, a ticket office and public restroom building, two new outdoor courts, and related site work.

The existing indoor facility lacks two needed courts for practice and competition in inclement weather. There is currently no designated tennis parking or suitable vehicular or disabled access to the site, which is located along Highway 93. Existing office and support facilities are too small for today’s needs. The new facilities will enhance recruiting effort, improve student athlete playing experiences, improve opportunities for NCAA regionals and other championships, and provide for safer/code compliant pedestrian circulation and vehicular access. Renovating the existing indoor court building was considered but demolishing it and constructing a new facility was determined to be a more feasible alternative due to siting, ventilation, seismic and other issues.

The uncommitted balance of Athletic Improvement Funds as of June 30, 2016 is \$4,755,138.

The amount requested for Phase I (A&E) is 2.5% of the estimated total cost. This exceeds the state standard of 1.5% due to the selection of the Construction Manager at Risk delivery option.

**E&G MAINTENANCE NEEDS:**

Not Applicable - Auxiliary

**ANNUAL OPERATING COSTS/SAVINGS:**

There are additional annual operating costs of between \$36,000 and \$37,454 associated with this project. These costs will be supported by athletic operating funds.

**RECOMMENDATION:**

Staff recommends approval of this project as proposed.

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

(For Department Use Only)
SUMMARY NUMBER
FORM NUMBER

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY

Cod H12 Name Clemson University  
 Contact Person John McEntire Phone 864-656-1238

2. PROJECT

Project # \_\_\_\_\_ Name Tennis Center Construction  
 Facility # \_\_\_\_\_ Facility Name Tennis Center

County Code	39
New/Revised Budget	\$312,500.00

Project Type	Construct Additional Facility
Facility Type	Athletic

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL Y

CCIP priority number 5 of 6 for FY 2016-17.

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project		Decrease Budget		Close Project	
Establish Project - CPIP	X	Change Source of Funds		Change Project Name	
Increase Budget		Revise Scope		Cancel Project	

5. PROJECT DESCRIPTION AND JUSTIFICATION

(Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

This request is to establish a project for Phase I pre-design to construct a new state-of-the-art tennis center for the men's and women's varsity tennis teams. The new center will retain and continue to utilize existing tennis facilities, including outdoor competition courts and a 700-seat permanent stadium. The new approximately 48,000 square foot tennis center will include a new six-court indoor tennis facility, a clubhouse containing locker rooms, a training room, equipment rooms, a players' lounge, laundry and coaches' offices, a ticket office and public restroom building, two new outdoor courts, and related sitework.

The existing tennis center and indoor practice facilities were constructed between 1987 and 1993 and are not sufficient for today's needs. The existing indoor facility lacks two needed courts for practice and competition in inclement weather. There is currently no designated tennis parking or suitable vehicular or disabled access to the site, which is located along Highway 93. Existing office and support facilities are too small for today's needs. The new facilities will enhance recruiting efforts, improve student athlete playing experiences, improve opportunities for NCAA regionals and other championships, and provide for better pedestrian circulation and vehicular access. Renovating the existing indoor court building was considered but demolishing it and constructing a new facility was determined to be a more feasible alternative due to siting, ventilation, seismic and other issues.

6. OPERATING COSTS IMPLICATIONS

Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES

Estimated Start Date: Sep-16 Estimated Completion Date: June 2018  
 Estimated expenditures: Thru current FY: \$ 312,500.00 After current FY: \_\_\_\_\_

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #	
-----------	--

- |   |  |
|---|--|
| 1. _____ Land Purchase ---->                      | Land: _____ Acres                            |
| 2. _____ Building Purchase ---->                  | Floor Space: _____ Gross Square Feet         |
| 3. <u>\$312,500.00</u> Professional Services Fees |  |
| 4. _____ Equipment and/or Materials ---->         | Information Technology \$ _____              |
| 5. _____ Site Development                         |  |
| 6. _____ New Construction -->                     | Floor Space: <u>48,000</u> Gross Square Feet |
| 7. _____ Renovations - Building Interior -->      | Floor Space: _____ Gross Square Feet         |
| 8. _____ Renovations - Utilities                  |  |
| 9. _____ Roofing - _____ Roof Age                 |  |
| 10. _____ Renovations - Building Exterior         |  |
| 11. _____ Other Permanent Improvements            |  |
| 12. _____ Landscaping                             |  |
| 13. _____ Builders Risk Insurance                 |  |
| 14. _____ Other Capital Outlay                    |  |
| 15. _____ Labor Costs                             |  |
| 16. _____ Bond Issue Costs                        |  |
| 17. _____ Other: _____                            |  |
| 18. _____ Contingency                             |  |

\$ 312,500.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc.,) present in the project and the financial impact they will have on the project.	
Type: _____	_____
<b>Cost Breakdown</b>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Est. Sub Fund
(0) Capital Improvement Bonds, Gro _					8115		3043	3043
(1) Dept Capital Improvement Bonds Grou _					8115		3143	3143
(2) Institution Bonds								3235
(3) Revenue Bonds								3393
(4) Excess Debt Service Type								3497
(5) Capital Reserve Fund					8895		3603	3603
(6) Appropriated State Program Source -					8895	68800100	1001	3600
(7) Federal						78800100		5787
(8) Athletic						88800100		3807
(9) Other (Specify)								
Athletic Improvement Funds			\$ 312,500.00		7201	98800100	4243	3907
TOTAL BUDGET	\$	\$	\$ 312,500.00					

10. SUBMITTED BY:

Brett A. Dalton  
Signature of Authorized Official and Title  
Brett A. Dalton, Vice President for Finance and Operations

7/12/10  
Date

11. APPROVED BY:

(For Department Use Only)

Authorized Signature and Title

Date

Revised 3/30/16

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY  
Code HI2 Name Clemson University

2. PROJECT  
Project # \_\_\_\_\_ Name Tennis Center Construction

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2017-18	\$	\$	\$36,000.00	\$36,000.00
2) 2018-19	\$	\$	\$36,720.00	\$36,720.00
3) 2019-20	\$	\$	\$37,454.00	\$37,454.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

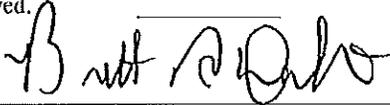
Athletic Operating Funds

6. Will the additional costs be absorbed into your existing budget?  YES     NO  
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	<u>26,000.00</u>
2. <u>Maintenance</u>	<u>10,000.00</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$36,000.00</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By:  7/12/14  
Signature of Authorized Official and Title                      Date

**PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT  
FOR PHASE I A&E PRE-DESIGN PROJECTS**

**Tennis Center Construction  
July 14, 2016**

1. What is the internal projected cost of the project?     \$12,500,000
2. What is/are the source(s) of funds to be used for A&E pre-design?     Athletic Improvement Funds
3. What is your agency/institution's definition of the source(s) of funds used for the A&E pre-design?  
(Please be specific for each source and if there is a statutory authority authorizing the use of the funds for capital projects for the source, please cite the code section. If a source includes any type of fee, what is the fee called, what is the fee amount and when was it put in place?)

Athletic Improvement Funds result from bond covenant-required transfers from Athletics Operations to allow for the maintenance and replacement of athletic facilities.

4. What is the current fund balance of uncommitted funds in the source of funds for A&E pre-design?

Uncommitted balance of Athletic Improvement Funds as of 6/30/16 - \$4,755,138

5. What is the source(s) of funds to be used for construction?     Athletic Facilities Revenue Bonds
6. What is your agency/institution's definition of the source(s) of funds to be used for construction?  
(Please be specific for each if different from those in 3 above. If there is statutory authority authorizing the use of the funds for capital project, please cite the code section and if a source includes a fee, what is the fee called, what is the fee amount and when was it put in place?)

Athletic Facilities Revenue Bonds are long-term debt instruments issued by the State Treasurer's Office in the name of the University and are pledged to be repaid with a combination of Athletic net revenues, ticket surcharges, private (IPTAY) gifts and contributions from the Clemson Athletics Facilities Trust Endowment invested with the Clemson University Foundation.

7. What is the current fund balance of uncommitted funds in each source to be used for construction?

The Athletic Facilities Revenue Bonds uncommitted balance is \$0.00. The bond resolution will be submitted for approval with the Phase II construction budget of the project, anticipated in Spring 2017. The current statutory debt capacity for Athletic Facilities Revenue Bonds is \$65,550,000.

8. Will the use of any funds for A&E pre-design or for construction require an increase in any student fee or tuition?

The use of funds for A&E pre-design and construction will not require an increase in any student fee or tuition.

9. If the use of any funds for A&E pre-design or construction will require any student fee or tuition increase, please explain and include the amount of the fees annually or by semester, what the fee is called and when it was put in place.     N/A

10. What is the total square footage of the building to be renovated or constructed?

A new approximately 48,000 square foot tennis center will be constructed as part of this project. The construction will include a new six-court indoor tennis facility, a clubhouse containing locker rooms, a training room, equipment rooms, a players' lounge, laundry and coaches' offices, a ticket office and public restroom building, along with two new outdoor courts and related sitework.

11. If a portion of the building is to be renovated, what is the square footage of the portion that will be included in the renovation? N/A

12. What program(s) will use the space to be renovated/constructed?

The men's and women's tennis programs will use the new tennis center when it is completed.

13. What is the current age of the building to be renovated? N/A

14. What is the current age of the building system(s) to be renovated or replaced? N/A

15. If any new space is being added to the facility, please provide demand/usage data to support the need.

The primary space expansion within the project is the indoor practice courts portion of the tennis complex. The current facility houses four indoor courts. In order to operate efficient and effective NCAA varsity tennis matches and postseason events, six indoor courts are needed. This allows for all six singles matches to be conducted concurrently, instead of staggered, reducing total match times by approximately 33%. Similarly, the expansion to six courts provides 50% more court opportunity for effective practice scheduling for both the men's and women's tennis programs.

16. If the A&E pre-design request is above 1.5% of the internal estimated cost of the project, what is the reason the amount exceeds 1.5%?

The Phase I pre-design budget of \$312,500 is requested at 2.5% of the estimated project cost. The additional amount is needed to allow the University to provide the pre-construction services of a Construction Manager-at-Risk during the pre-design phase of the project and will provide for additional geotechnical investigations, surveys of the site, and the required LEED cost benefit analysis.

17. What are the estimated numbers of students, faculty, staff and/or clients that are expected to use the space affected by the project or for the entire building? (Answer for as many as are applicable.)

The primary users of the new facilities will remain the NCAA varsity men's and women's tennis programs. Each program has approximately three coaches, three support staff members and ten student-athletes, totaling approximately 26 individuals. Additionally and as available, Clemson Campus Recreation will host intramurals, club team, and other recreation activities at the facility, as well as community-centered events such as summer tennis camps and City of Clemson-sponsored tennis tournaments.

18. Has the project been included in a previous year's CPIP? If so, what was the last year the project was included and for which year, 1-5? 2016 CPIP, Year One

19. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.

The economic impact of this project will be substantial. Approximately \$12.5 million in construction will mean a large number of jobs for architects, engineers, builders, and tradesmen during the course of the project.

20. How will your agency/institution address and fund maintenance of this facility construction/renovation?

Maintenance of this facility will be provided through annual operations, utilizing the existing Athletic Improvement Fund.

21. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

As required by bond covenants, an Athletic Improvement Fund has been established and is funded with Athletics Operations funds to maintain and renovate facilities constructed with Athletic Facilities Revenue Bonds. As of 6/30/16, the Athletic Improvement Fund had an uncommitted balance of \$4,755,138.

22. If how maintenance will be addressed and funded for this facility construction/renovation has not been determined yet, what steps are in place to begin to address how your agency/institution will fund maintenance to this and other agency/institution facilities?

N/A -- see response to question 20.

## **CONSTRUCTION MANAGEMENT AT RISK**

It applies a contractor's perspective and input to planning and design decisions and has the ability to fast track early components of construction. CM-at-risk allows a client to select a construction manager based on qualifications, making the CM a member of a collaborative project team—thus reducing risk for the client, the A/E firm, the CM, and subcontractors.

CM-at-risk is similar in many ways to a design-bid-build approach. The CM acts as general contractor during construction, assuming the risk of subcontracting the work, and guaranteeing completion of the project.

### ***Benefits:***

- Responsibility for construction is centralized under a single contract. This approach produces a more manageable, predictable project that saves time and money.
- Client receives pre-construction services such as schedule, budget, and constructability reviews.
- Responsible for complete bid documents, pre-bid meetings, and a fair and competitive bid process
- Maximizes the awareness among Owner, Architect / Designer and CM of all parties needs, expectations in order to perform their part of the project in the most efficient manner
- Maintaining positive working relationships among the Owner, Architect / Designer and Constructor