

May 10, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Southern Utah University – Non-State Funded Sports Performance Center Project Approval

Issue

As required by Regent Policy R702, *Non-State Funded Projects* Southern Utah University (SUU) requests Board authorization to proceed with a non-state funded project to construct a new sports performance center focused on enhancing student-athlete training.

Background

Regent policy R702 requires the Board to review capital projects requiring State Building Board or Legislative approval. State statute (63A-5-104) defines capital projects with more than \$500,000 of new space as "capital developments" and allows the State Building Board to approve those projects without legislative approval if the project does not use state funding sources for the design, construction, operation, or maintenance of the facility.

SUU proposes to use donations to construct a small 8,000 square foot steel building west of the Eccles Coliseum for student-athlete training. The University originally anticipated a construction budget of less than \$500,000 for this project, which would have allowed them to proceed with construction without Board of Regents or Building Board approval. However, recent cost estimates indicate a total project cost of \$870,000 (\$810,000 for construction and \$60,000 for design), which would require both Boards' approval before moving forward.

In order to keep the project on time with these new cost estimates, the University received State Building Board authority to proceed with the project on May 3 contingent on approval by the Board of Regents. No state appropriated funds will be used for this project. Design and construction costs will be funded from donations and future operation and maintenance will be funded through revenues from the Athletic Department.

Additional information about the project is provided in the attached letter and documents from the University. Representatives from SUU will be present at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Board approve the Southern Utah University request to construct a sports performance center.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachments

April 29, 2017

David L. Buhler, Commissioner
Utah System of Higher Education
Board of Regents Building
The Gateway, 60 South 400 West
Salt Lake City, UT 84101-1284

Dear Commissioner Buhler,

This letter is requesting a proposal to construct a new Weight Training Facility at SUU be placed on the agenda for the Board of Regents May 19, 2017, meeting. The attached document outlines our proposal to construct a new 8,000 ft² prefabricated steel building on campus for the Department of Athletics. We are seeking Regent approval for this project because construction costs may exceed the \$500,000 threshold requiring Regent approval as outlined in Regent Policy R702, *Non-State Funded Projects*.

During the summer of 2016, the SUU Athletic Department, in conjunction with the SUU Facilities Department, began working on a project to build a new weight training facility on campus. The state Division of Facilities and Construction Management (DFCM) was included from the beginning of these discussions and assigned FFKR Architects to the project. Original construction costs were estimated at less than the \$500,000 threshold requiring advanced approval from the Regents and State Building Board.

Unfortunately, due to added state building code requirements and inflationary impacts on construction costs, FFKR's recent cost estimate reached approximately \$810,000. There remains a potential that final construction costs will be less than \$500,000 based on an earlier commitment by a local general contractor to build this facility with a donation of time and materials to keep costs below \$500,000. The latest FFKR estimate has caused the contractor some reason to pause on how much they are willing to donate to the project.

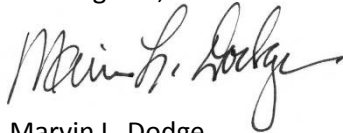
As a result of questions now surrounding construction costs, we felt it would be wise to have the entire project reviewed and approved by both the Board of Regents and State Building Board. To help avoid any further delay in the project we added our request for approval to the May 3, 2017, Building Board agenda, and will request they make their approval contingent upon Regent approval at their meeting on May 19, 2017. We remain hopeful this building can be constructed this summer and ready for athletic use this fall.

Please note this project is funded entirely by the generosity of a few significant partners. As outlined on page 5 of the attached proposal, \$440,000 was received from the Carter Family in December 2016, with the Eccles Foundation providing the balance of funds - \$250,000 received March 2017, with the balance of their pledge arriving in December 2017. No O&M funds are being requested for this project.

Thank you in advance for your favorable consideration of our dilemma. Having Regent and Building Board approval for this project allows us to proceed whether final construction bids are above or below the \$500,000 threshold.

We will have representatives at the May 19th meeting to respond to any questions which may arise from this proposal.

Best regards,

A handwritten signature in black ink, appearing to read "Marvin L. Dodge", with a stylized, cursive script.

Marvin L. Dodge

cc: President Scott Wyatt
 Tiger Funk, Director of Facilities
 Jason Butikofer, Director of Athletics
 Michael Beach, Assistant Vice President for Finance



GEORGE S. ECCLES
SPORTS PERFORMANCE CENTER
AT SOUTHERN UTAH UNIVERSITY



*Sydney Townsend, Senior, Biology Major
North Salt Lake City, Utah*

This new \$870,000 facility will be built west of Eccles Coliseum.

As a prefabricated steel building, it will be state-of-the-art, fiscally efficient, highly functional and aesthetically pleasing. This new center is where all Thunderbird student-athletes will train, develop and compete for championships.





2015 Big Sky Football Championship Team

Student-Athlete Impact

This facility—which will also become a highlight for recruiting visits—will greatly benefit all 370 student-athletes. The efficiency of better training schedules will support class participation, increase academic rigor and allow for greater community involvement.

The current weight room is 3,250 square feet, which can function effectively for only 40 students at once. The new center will more than double that area—providing approximately 8,000 square feet—enhancing the opportunities for the Thunderbirds to compete for championships.

"To better support our student-athletes, and to fortify the comprehensive nature of higher education, vital upgrades to the Thunderbird athletic facilities constitute a clear University priority."

PRESIDENT SCOTT L WYATT

Community Impact

- ▶ Space to provide strength and conditioning clinics for local and regional high school coaches.
- ▶ Access to the facility for 2,752 attendees of SUU Summer Camps.



Breanu Reid, Sophomore, Exercise Science Major
Point guard, Oklahoma City, Oklahoma



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Cedar City UT 84720
Office (435) 586-7702
Fax (435) 586-5475
wyatt@suu.edu

SCOTT L WYATT
PRESIDENT

April 17, 2017

Jeff Reddoor, Director
Utah State Building Board
4110 State Office Building
Salt Lake City, Utah 84114

Subject: Funding Commitment for Sports Performance Center Project

Dear Mr. Reddoor:

With this letter, I confirm that the University has the private donated funds on hand, immediately available for the project, or written commitments from reliable donors for the same. If an unforeseen exigency were to arise that impaired any of the pledged commitments, the University has the capacity and will pay DFCM invoices for project costs.

I respectfully request Building Board approval to begin this project for SUU Athletics.

Sincerely,



Scott L Wyatt

Budget / Timeline

STAGE 1: PROGRAM & DESIGN

May 2017 – July 2017

FUNDING

Stage 1 Total Cost = \$60,000

\$870,000 - Cash and pledge from private funding for this project. \$810,000 will carry forward to Stage 2.

STAGE 2: CONSTRUCTION

July 2017 – October 2017

FUNDING

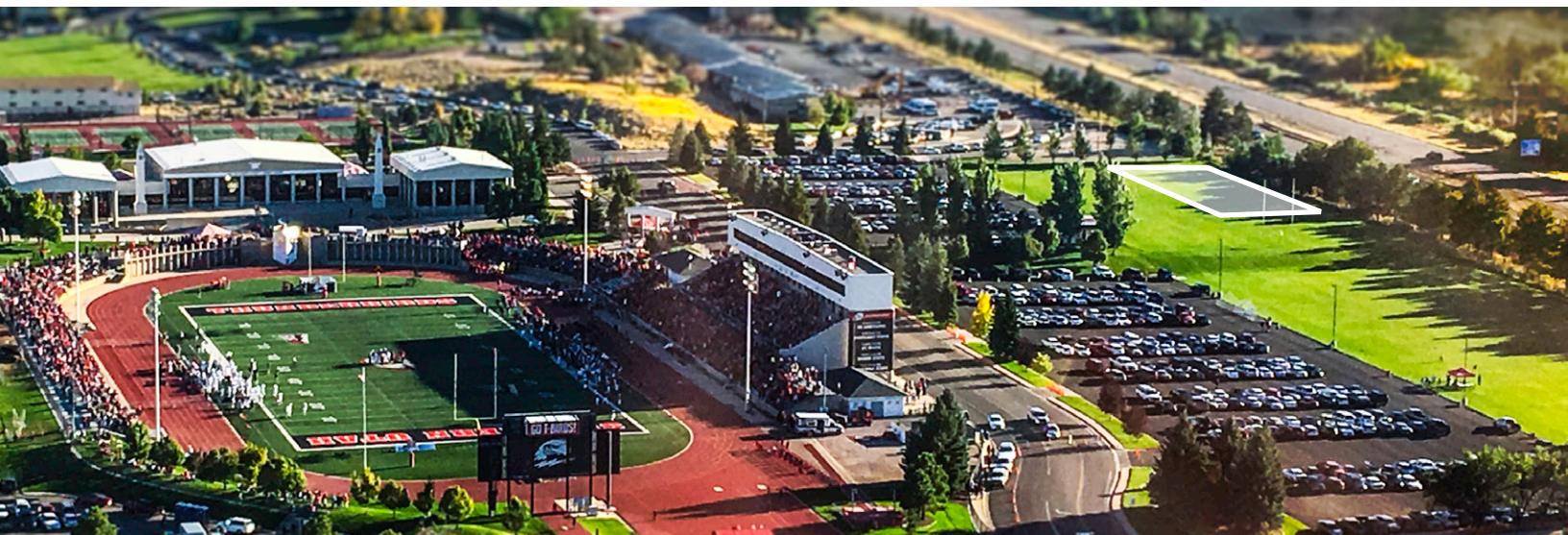
Stage 2 Total Cost = \$810,000

\$810,000 - Cash and pledge from private funding for this project.

SUMMARY

Stage 1 Cost	\$60,000	Carter Family (DEC 2016)	\$440,000
Stage 2 Cost	\$810,000	Eccles Foundation (MAR 2017)	\$250,000
Total Cost	\$870,000	Eccles Foundation Pledge (DEC 2017)	\$180,000
		Total Funding	\$870,000

George S. Eccles Sports Performance Center Proposed Footprint



Donor Documents
GEORGE S. AND DOLORES DORÉ ECCLES
F O U N D A T I O N

Directors: • **SPENCER F. ECCLES** • **LISA ECCLES** • **ROBERT M. GRAHAM**
CEO & Chairman *President & COO* *Secretary, Treasurer*
of the Board *& General Counsel*

March 14, 2017

Scott L. Wyatt, President
Southern Utah University
351 West University Blvd.
Cedar City, Utah 84720

Dear President Wyatt:

I am pleased to advise you that the directors of the George S. and Dolores Doré Eccles Foundation approved a grant in the amount of \$750,000 to Southern Utah University (SUU) at our meeting on February 27, 2017. This grant is designated to assist in upgrading your athletics facilities, including construction of a new Sports Performance Center west of the Eccles Coliseum, and remodeling of the east wing of the Harris Center, which is part of the Eccles Coliseum's existing facilities.

This grant is scheduled for payment as follows:

March 2017	\$250,000 (Our check is enclosed.)
December 2017	\$500,000

In regard to the naming opportunity you generously offered to provide recognition of our support of this project, we would be pleased to have the new sports performance center named as follows:

George S. Eccles Sports Performance Center

We are delighted to be able to partner with the Dave Carter family and others to assist SUU in making these improvements to the facilities associated with the Eccles Coliseum. We realize the results will positively impact not only student-athletes and coaches, but the entire campus community and loyal SUU "Thunderbird Athletics" alumni and boosters. Our directors continue to value SUU's important role in Utah's statewide higher education system, and we hope this project will further strengthen your ability to recruit and retain an outstanding student body and a faculty and staff of excellence.

Donor Documents

November 22, 2016

ATTN Cameron Brooks
Southern Utah University
Old Main Building 103
351 West University Blvd.
Cedar City, UT 84720

Re: Quality Ready Mix and Concrete Company Charitable Remainder Unitrust

Dear Mr. Brooks:

Please find enclosed four copies of the Receipt, Release and Indemnity Agreement. Please have all four copies signed by the proper authority. Once signed, keep one completed original for your organization and return two to me at the address listed below. Please send the last completed original to: Premier Administration, PO BOX 970367, Orem, UT 84097.

Also enclosed is a check in the amount of \$439,732.55 to Southern Utah University to be used "for its general charitable purposes" and a copy of the final accounting for the CRUT.

Should you have any questions regarding the information above please contact my CRUT administrator, Premier Administration, at 801-802-8930.

Sincerely,

Douglas Carter, Trustee
P.O. Box 339
Parowan, UT 84761

Enclosures



GEORGE S. ECCLES
SPORTS PERFORMANCE CENTER
AT SOUTHERN UTAH UNIVERSITY

Operations & Maintenance Plan

Operations and Maintenance costs will be budgeted each year using a zero-based budgeting process and will be funded from the revenue generated through private donations and athletic ticket sales.

Estimated Yearly O&M Cost:

\$7.36 per square foot x 8,000 square feet = \$58,880

“This will truly be a transformational opportunity for our head coaches and student-athletes. I could not be more excited about a project that is fully focused on an aggressive but fiscally efficient approach to leveling the playing field in the Big Sky Conference. Your consideration of financial support is critical to make this dream a reality.”

JASON BUTIKOFER, DIRECTOR OF ATHLETICS



Tannon Pedersen, Junior, Communication Major
Safety, Highland, Utah



James McGee, Junior, Exercise Science
Major, Guard, San Clemente, Calif.

Chennin Benson, Senior, Exercise Science Major
Opposite Hitter, Parowan, Utah





"What Southern Utah has been able to accomplish athletically over the past few years has been incredible. I firmly believe that if the weight room facilities are upgraded, the tradition of athletic excellence at SUU will grow as student-athletes are provided with a better space to physically develop."

JAMES COWSER, 2016 SUU GRADUATE,
CURRENT MEMBER OF THE OAKLAND RAIDERS

