



OFFICE OF THE PRESIDENT

1111 Franklin Street
Oakland, CA 94607-5200
Phone: (510) 987-9074
Fax: (510) 987-9086
<http://www.ucop.edu>

May 16, 2003

**ACTION UNDER PRESIDENT'S AUTHORITY – AMENDMENT TO THE BUDGET
FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM
FOR JOSEPH EDWARD GALLO RECREATION AND WELLNESS CENTER,
MERCED CAMPUS**

It is recommended that:

Pursuant to Standing Order 100.4(q)

- (1) The President amend the 2002-03 Budget for Capital Improvements and the Capital Improvement Program to include the following project:

Merced: Joseph Edward Gallo Recreation and Wellness Center
Preliminary plans --\$494,000 to be funded from gifts (\$95,000) and
internal loan to be repaid from student fees (\$399,000).

A Key to abbreviations and the project description is attached.

KEY
Capital Improvement Program Abbreviations

- S** Studies
- P** Preliminary Plans
- W** Working Drawings
- C** Construction
- E** Equipment
- State Funds (no abbreviation)
- F** Federal Funds
- G** Gifts
- HR** Hospital Reserve Funds
- I** California Institutes for Science and Innovation
- LB** Bank Loans or Bonds (External Financing includes Garamendi, Bonds, Stand-By, Interim and Bank Loans)
- LR** Regents' Loans (Internal Loans)
- N** Reserves other than University Registration Fee (Housing and Parking Reserves)
- R** University Registration Fee Reserves
- U** Regents' Appropriations (President's Funds, Educational Fund)
- X** Campus Funds
- CCCI** California Construction Cost Index
- EPI** Equipment Price Index

2002-03 Budget for Capital Improvements
and Capital Improvement Program
Scheduled for
Regents' Allocation, Loans, Income Reserves,
University Registration Fee Reserves, Gift Funds,
And Miscellaneous Funds

Campus and Project Title (Total Cost)		Proposed 2002-03	
<u>Merced</u>			
Joseph Edward Gallo	P	95	G
Recreation and Wellness Center	P	399	X
(\$494,000)			

DESCRIPTION

The Merced campus proposes to construct a Recreation and Wellness Center that would provide campus recreational facilities and student health facilities. The Center would include approximately 22,965 asf (32,810 gsf) of gymnasium, sports instruction, cardiovascular, weight training, administrative, and health care related space. Programming would provide students with a variety of recreational, health care, education programs, and activities. It is anticipated that wellness will become a hallmark of the campus.

Background

The site of the Recreation and Wellness Center is consistent with the initial Long Range Development Plan for the campus, approved in 2002. Constructing a recreation and wellness center and developing its associated programs is critical for student life programming at UC Merced. It is planned that the facility would become a focal point for the University's commitment to health and healthy lifestyles. The program would link in one facility recreation, health care, and health education.

A significant pledge from Joseph Edward Gallo of \$2,000,000 would be used to help fund this construction project. As a result, it is planned that the facility would be known as the Joseph Edward Gallo Recreation and Wellness Center. Separate student recreation and health services fees would be used to pay the debt service and operate the facility and its programs.

The University of California, Merced is scheduled to open during Fall 2004 as the first new UC campus in almost forty years. The initial campus population is expected to include 1,000 full-time equivalent (FTE) students. The campus would grow rapidly with an addition of

approximately 800 FTE students per year thereafter, until it is built-out at a capacity of 25,000 FTE students (21,500 undergraduates and 3,500 graduate students) and a faculty and staff of about 6,600 FTE.

Project Description

The campus formed a recreation and planning committee with leadership from UC Merced Student Affairs as well as staff from sister UC campuses to program the facility. The committee reviewed facilities and programs across the state, and worked with a programming consultant to develop the space program. The space program and space on the site is intended to support a variety of indoor and outdoor recreation and wellness activities, such as:

- Gymnasium for basketball, volleyball, and badminton;
- Sports recreation rooms for martial arts, dance, aerobics, and yoga;
- Weight training areas with free weights, weight machines, and cardiovascular equipment;
- Locker rooms;
- Administrative functions;
- Health care and health education functions;
- Outdoor adventure coordination

Health and Wellness space in the new facility would ideally integrate two programs: health care and health education. Psychological counseling may also be included in a future phase. As a residential campus, UC Merced must provide primary health services for its students. Emergency and specialized care would be provided off campus. As the campus grows, health services would likely need to expand and be similar to such services offered at other UC campuses.

The health and wellness center and a recreation center can function in complementary and mutually advantageous ways in the best interests of the students' physical, mental, and emotional well-being. Health and recreation staff programs would focus on healthy lifestyle choices. A health and wellness center would include space for examination rooms, small laboratory and pharmacy, office for health professionals, and meeting rooms for groups and workshops. Most of these functions would be accommodated in the proposed Recreation and Wellness Center.

Wellness education would include such programs as:

- Life style/fitness assessments that lead to individual exercise and nutritional programs;
- Alcohol education programs;
- Health fairs;
- CPR certification;
- Smoking cessation;
- Nutrition;
- Stress management;
- Peer health education; and
- Fitness programs for students, faculty and staff that encourage participation in a range of exercise activities.

CEQA Classification

In accordance with the California Environmental Quality Act, and the University of California procedures for the implementation of CEQA, an Environmental Impact Report will be prepared to analyze the potential environmental effects of the proposed Joseph Edward Gallo Recreation and Wellness Center project. This document will be presented to The Regents for review at the time of project design consideration.

Financial Feasibility

The estimated project cost of the Joseph Edward Gallo Recreation and Wellness Center is anticipated to be between \$9,000,000 and \$10,000,000 and would be funded from a combination of gift funds and external financing to be repaid from the Campus-Based Student Recreation Fee.

Repayment of the external financing will be from the Campus-Based Student Recreation Fee approved by The Regents at their May 2003 meeting. The campus will form its Student Recreation Fee advisory committee at campus opening.

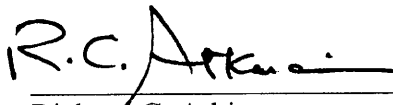
The initial funding of \$494,000 for preliminary plans ("P") would be funded from gift funds and internal loan to be repaid by student fees. The campus will seek approval for all phases of the project from The Regents as the campus demonstrates a successful capital gift campaign.

The major gift for this project totals \$2,000,000. The gift agreement commits the donors to making an annual gift to the University in the amount of \$100,000 per year, or until the death of the benefactor. The gift agreement was signed in June 2002, and the first \$100,000 installment was received in December 2002.

Future Regental Action

The campus will return to The Regents to request the amendment of the Budget for Capital Improvements and the Capital Improvement Program for the total cost of all phases of the project (P-W-C-E: preliminary plans, working drawings, construction, and equipment).

Approved by:



Richard C. Atkinson
President of the University

5/16/03

Date