


**Date:** October 3, 2013

**To:** CSUS Board of Governors  
Chancellor Martin

**From:** Tony Frank 

**Subject:** Stadium Update

Since the Board meeting in October 2012, when you approved my recommendation to move forward with fundraising and planning around the new stadium, we've been working closely with designers, consultants and staff, and I think there are several positive developments worthy of note.

- Per our previous discussions, we've been working to decrease the cost of the facility while maintaining and, in some cases, improving the key elements.
  - The estimated cost of the athletic portion of the facility has been reduced from \$246M in the feasibility study to \$226.5M while maintaining the basic design, location, quality standards and availability of seating product.
  - Total capacity is 40,000, with room for future expansion if needed.
  - The new design supports the same revenue scenarios used in the feasibility study.
- Based on our discussions of CSU2020, we project a need for more than 1.5 million square feet of new academic space on our campus over the coming decade. We were able to modify the design of the stadium facility to include 55,000 square feet of academic space.
  - The allocation of this potential space has not been determined, but a variety of programs have already expressed interest and we would work with our traditional campus processes to assign the space and design it to meet the academic needs of the university into the future.
  - We can construct such space at 73% of the cost of stand-alone, new academic construction. The estimated cost of such space within the stadium facility is \$17.5M, compared to an estimated stand-alone cost of \$24M (a \$6.5M savings).
  - The potential for adding academic space, while needed and cost effective, does not influence the estimated costs of the athletic portion of the stadium facilities (\$226.5M) and it is my expectation that if we move forward to construct this facility, any academic space should be included and would be funded via typical academic facility models.

- Based on fundraising to date, we began schematic design of the facility in July. While this work will not be complete until November 2013, it has resulted in some initial renderings that are included for your review and comment.
- I anticipate a decision on beginning the design/development phase within the next 30-60 days, again based on fundraising. This phase would result in substantial engagement of City planning staff as well as local neighborhoods to understand potential impacts and prepare for their mitigation.
- Given the change in estimated cost of the athletic portion of the stadium facility, following my initial goal of bonding 50% of the facility against stadium-generated revenues would result in total revenue bonds about \$13M below the amount supported by the low-case revenue scenario of the feasibility study, if we are successful in raising \$113M of philanthropic support.
  - Fundraising is ongoing, and we have made great progress in many areas, particularly building relationships with new potential donors interested in this type of activity. It is my belief that we will have raised approximately 1/3 of the philanthropic goal by the year's end.
- Also in accord with our previous discussions, we've continued to evaluate the issues surrounding Hughes Stadium.
  - A CSU Facilities report and an independent 3<sup>rd</sup> party verification place the deferred maintenance costs at close to \$30M over the next decade. These reports are attached for your review. It is important to note that such costs would do almost nothing to improve the overall quality of the experience at the facility or add additional revenue generating potential; they simply address infrastructure issues associated with a 46-year old structure. The Stryker gift a decade ago was monumental in that it did allow us to make substantive improvements in the quality of the Hughes experience. This \$30M maintenance cost wouldn't do that – it really just represents the cost to replace things as they break.
  - I am continuing to analyze options for the funding of such costs were we not to move forward with the new stadium. After initial evaluation, it appears highly unlikely that we would be able to fund a substantial portion of such deferred maintenance costs philanthropically. In addition, there are no new revenue streams to support revenue bonds for this purpose. I am unenthusiastic about the prospect of recommending to you \$30M in general obligation bonds, so I will continue to look for alternative funding options were we to move in this direction.
  - We continue to explore business opportunities around the Hughes Stadium site. As we've discussed, it is my assumption that if the new stadium were to move forward, it would be appropriate to reinvest Hughes Stadium proceeds into the new facility.
- I anticipate bringing you another update in 6 months.

It's perhaps worth restating what I consider to be the key element in this discussion. The university, as displayed on its seal and as codified in the role and mission given by the Board, exists for purposes of teaching, research, service and extension – learning, discovery and application, in today's parlance. Any decision – on this or any other topic at the university – needs to be in the best interests of the university in light of these purposes. Clearly in a direct sense, athletics and football are not core mission areas, and equally clearly, to my mind, they have a very large, indirect impact on the campus in a number of ways. People who care deeply about Colorado State have arrived (and will arrive in the future) at different conclusions around the potential positive and negative impacts to the campus from the business that college athletics, and football in particular, has become. I've stated my own position on these issues to you and to the public previously, so I won't rework that ground here except to say that my basic thinking around the issue remains as I outlined to you and the campus a year ago. In short, if we can arrive at a successful series of funding outcomes that do not impact the general fund of the university and the tuition we charge our students, I believe it remains in the best long-term interest of the university to have a new stadium facility and to have it located on our main campus. As always, I remain open to and appreciative of your questions, comments and criticisms.

# Hughes Stadium Controlled Maintenance & Upgrades Through 2020

## Facilities Management - Estimates

G:\Director - Steve\Projects - Bldgs\Hughes\Hughes - CM Long Term Maint Costs - Rev8 - 11mar13 - srh.xlsx\JM Estimate - 2012

Rev8

### Priority

H = High  
M = Medium  
L = Low

| CM - Repairs/Replacement Projects                    |          |  |                           |             |
|--|----------|--|---------------------------|-------------|
| Item   | Date     | Scope of work  | Construction Cost opinion | Priority    |
| Upgrade the video and surveillance systems           | 2013     | Replace with new                                       | \$ 75,000                 | H           |
| Replace old/original elevator - Adjust new elevators | 2013     | Replace with new                                       | \$ 400,000                | H           |
| Replace deteriorated concrete                        | 2013     | Broken cracked displaced                               | \$ 1,300,000              | H           |
| Exterior stairs code compliance                      | 2013     | Repair to meet ADA and code related criteria           | \$ 750,000                | H           |
| Add standby generation                               | 2013     | Provide means to light facilities using gen power      | \$ 425,000                | H           |
| Replace scoreboards                                  | 2014     | Replace with new                                       | \$ 1,250,000              | H           |
| Repair leaks in underground walls locker rooms       | 2014     | Ongoing leaks into locker rooms                        | \$ 70,000                 | H           |
| Add mechanical E/W concourse                         | 2014     | Add support mechanical to HW boilers                   | \$ 45,000                 | H           |
| Add boilers at E/W concourse                         | 2014     | Run gas lines and HW boilers so. end of each concourse | \$ 300,000                | H           |
| Replace boiler tunnel                                | 2014     | Replace with HW boiler                                 | \$ 400,000                | H           |
| Revitalize concourse level restrooms                 | 2014     | Replace old fixtures add amenities                     | \$ 650,000                | H           |
| Replace fiberglass bench seating                     | 2014     | Replace wit alum.                                      | \$ 350,000                | M           |
| Replace domestic heating water system tunnel         | 2014     | Replace with HW boiler and mixing valve                | \$ 10,000                 | M           |
| Replace deteriorated asphalt surfaces                | 2014     | Replace deteriorated/ add for dust control             | \$ 850,000                | M           |
| Repair slump in South berm                           | 2014     | Large slumped area in south berm                       | \$ 35,000                 | M           |
| Revitalize kitchen facilities on East concourse      | 2015     | Complete refurbish                                     | \$ 650,000                | M           |
| Revitalize Hughes room                               | 2015     | Complete refurbish                                     | \$ 150,000                | M           |
| Irrigation Pump Station                              | 2015     | Provide irrigation upgrade                             | \$ 555,000                | M           |
| Replace security system                              | 2016     | Replace with new                                       | \$ 15,000                 | M           |
| Replace roofs on concourse level buildings           | 2016     | Replace with new                                       | \$ 354,000                | M*          |
| Replace elevator shaft roofs                         | 2016     | Replace with new                                       | \$ 3,000                  | M*          |
| Phase II Landscape                                   | 2016     | Finish landscape                                       | \$ 2,500,000              | M           |
| Add parking lot lighting                             | 2017     | South and west egress pathways ?                       | \$ 237,000                | M           |
| Replace press box roof                               | 2017     | Replace with new                                       | \$ 100,000                | M*          |
| Replace overhead electrical                          | 2017     | Bury underground from the road                         | \$ 1,150,000              | M           |
| Revitalize the suites                                | 2017     | Complete refurbish                                     | \$ 650,000                | M           |
| Upsize domestic water utility                        | 2017     | Replace water line into facility (To small)            | \$ 35,000                 | L*          |
| Revitalize locker rooms                              | 2017     | Complete refurbish                                     | \$ 250,000                | L           |
| Replace ticket booths                                | 2017     | Replace with new                                       | \$ 75,000                 | L           |
| Replace goal post                                    | 2017     | Replace/repair goal posts                              | \$ 4,000                  | L           |
| Replace all carpet                                   | 2017     | Replace with new                                       | \$ 325,000                | L           |
| Revitalize concession stands                         | 2018     | Complete refurbish                                     | \$ 1,000,000              | L           |
| Replace sound system                                 | 2019     | Replace with new                                       | \$ 800,000                | L*          |
| Replace playing surface                              | 2019     | Replace playing surface and supporting equipment       | \$ 750,000                | L*          |
| Gold lot asphalt                                     | 2019     | Complete refurbish                                     | \$ 1,750,000              | L           |
| Replace suite mechanical system major components     | 2020     | RTUs / Split systems                                   | \$ 140,000                | L           |
| Replace chair seating                                | 2020     | Replace with new                                       | \$ 75,000                 | L*          |
| Drainage improvements at gate 2                      | 2020     | Deficient  | \$ 25,000                 | L           |
| Provide utility services to Ram Town                 | 2021     | Provide exterior restrooms and domestic water          | \$ 350,000                | L           |
| Replace gates and fencing                            | 2021     | Complete   | \$ 25,000                 | L           |
| Replace field Lighting                               | Complete | Replace failed poles                                   |                           | done        |
| <b>Total Construction Costs</b>                      |          |  | <b>\$ 18,878,000</b>      |             |
| <b>Total Project Costs with Fees</b>                 |          |  | <b>\$ 26,429,200</b>      | <b>140%</b> |

| Upgrades/Improvements                         |   |  |                           |             |
|---|---|--|---------------------------|-------------|
| Item  |   | Scope of work                                      | Construction Cost opinion | Priority    |
| North score board                             | N | Complete refurbish                                 | \$ 1,250,000              | L           |
| Keyless access                                | N | Complete refurbish                                 | \$ 40,000                 | L           |
| South Berm Makeover - new structure or stands | N | Replace grassed area with landscape or grandstands | \$ 1,300,000              | L           |
| Concession stand restrooms north end zone     | N | Add concession and restrooms                       | \$ 750,000                | L           |
| WiFi broadband network communication          | N | This could be a profit center                      | \$ 55,000                 | L           |
| Add TV production building / room             | N | Multi sport production facility                    | \$ 2,000,000              | L           |
| <b>Total Construction Costs</b>               |   |  | <b>\$ 5,395,000</b>       |             |
| <b>Total Project Costs with Fees</b>          |   |  | <b>\$ 7,553,000</b>       | <b>140%</b> |

|   |                      |
|---|----------------------|
| <b>Grand Total - Repairs &amp; Improvements</b> | <b>\$ 33,982,200</b> |
|---|----------------------|

### CM Funding Unit Rates

|   |
|---|
| \$200,000,000 CRV - Current Replacement Value |
| \$33,982,200 backlog                          |
| 30 years                                      |
| \$1,132,740 CM Funding Rate Dollars per year  |
| 0.57% CM Funding Rate as Percent per Year     |
| 446,000 gsf with field                        |
| \$ 2.54 per gsf-yr                            |

### Draft Schedule of Projects

|              |      |
|--------------|------|
| \$ 2,950,000 | 2013 |
| \$ 3,960,000 | 2014 |
| \$ 1,355,000 | 2015 |
| \$ 2,872,000 | 2016 |
| \$ 2,826,000 | 2017 |
| \$ 1,000,000 | 2018 |
| \$ 3,300,000 | 2019 |
| \$ 240,000   | 2020 |
| \$ 375,000   | 2021 |

### Notes

\*Availability of replacement parts and /or failure will increase priority substantially.  
Some priorities are interdependent (i.e. The decision to increase seating capacity would effect the domestic water utility sizing priority).

# CUMMING

October 1, 2013

Steven R. Hultin  
Director  
Facilities Management  
Colorado State University  
Fort Collins, CO 80523-6030

Dear Mr. Hultin,

This letter confirms that the Hughes Stadium Repairs and Replacements budget cost report prepared for Colorado State University and dated June 12, 2013 represents independent analysis and work by Mr. Stefan Coca of Cumming, our former Denver office director.

This report is the result of meetings and interviews with the operations and maintenance staff of Facilities Management, as well as site visits and reviews of construction drawings to determine the list of components and systems that have deteriorated and will need repairs or replacement within the next ten years. This effort confirmed the need for forty projects with a total construction cost of \$22.8m. We understand that Facilities Management used these construction costs to estimate a total project budget need of \$29.6m inclusive of a 30% factor for design, code review and inspection, project management fees and contingencies.

Mr. Coca's report included a projected schedule of work over an eight-year period and included estimated construction escalation rates to provide a potential funding plan schedule.

If there any follow up questions or clarifications I can assist with, please don't hesitate to consider myself your central point of contact. Also please be aware that Cumming is available to provide additional cost/project management services as needed for this and other projects. Thank you again for the opportunity to work with you on the Hughes Stadium Repairs and Replacements project.

Sincerely,



**Alan Plummer, LEED® AP**

Director

October 1, 2013

6901 S. PIERCE STREET, SUITE 301 • LITTLETON • COLORADO • 80128  
PHONE: 303-948-7224 • FAX: 303-948-7230

# Hughes Stadium - Controlled Maintenance Through 2020

## Cummings Corporation - Estimates

G:\Director - Steve\Projects - Blugs\Hughes\Hughes - CM Long Term Maint Costs - Rev8 - 11mar13 - srm.xlsx\Cumming Estimate - 2013  
7/15/2013

| Construction Cost Summary    |  | Description and Scope |    |         |           |           |  |  |  |  |  |  | Priority | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Total |         |           |
|------------------------------|--|-----------------------|----|---------|-----------|-----------|--|--|--|--|--|--|----------|------|------|------|------|------|------|------|------|-------|---------|-----------|
| Repairs/Replacement Projects |  |                       |    |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       |         |           |
| 2.                           | Upgrade Video Security and Surveillance Systems/Replace with New   | H                     | \$ | 651,143 |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      | \$    | 651,143 |           |
| 3.                           | Replace Original Elevator-Adjust New Elevators                     | H                     | \$ | 187,488 |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 187,488   |
| 4.                           | Replace Deteriorated Concrete/Fix Cracks                           | H                     | \$ | 63,000  |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 63,000    |
| 5.                           | Exterior Stairs Code Compliance/ADA                                | H                     | \$ | 94,500  |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 94,500    |
| 6.                           | Add Standby Generators/Lights on Emergency Power                   | H                     | \$ | 538,146 |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 538,146   |
| 7.                           | Replace Scoreboards  | H                     | \$ |         | 2,192,899 |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 2,192,899 |
| 8.                           | Repair Leaks in Underground Locker Room Walls                      | H                     | \$ |         | 35,473    |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 35,473    |
| 9.                           | Add Mechanical East-West Concourse                                 | H                     | \$ |         | 2,563,550 |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 2,563,550 |
| 10.                          | Add Boilers At E/W Concourse                                       | H                     | \$ |         | 384,015   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 384,015   |
| 11.                          | Replace Boiler Tunnel/HW Boiler                                    | H                     | \$ |         | 246,250   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 246,250   |
| 12.                          | Renovate Concourse Level Restrooms/New Fixtures and Amenities      | H                     | \$ |         | 1,219,198 |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 1,219,198 |
| 13.                          | Replace Fiberglass Bench Seating/New Aluminum Seating              | M                     | \$ |         | 766,225   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 766,225   |
| 14.                          | Replace Domestic Heating Water System Tunnel/HW Boiler             | M                     | \$ |         | 127,059   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 127,059   |
| 15.                          | Replace Asphalt Surface/New Asphalt and Dust Control               | M                     | \$ |         | 342,608   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 342,608   |
| 16.                          | Replace Slump in South Berm  | M                     | \$ |         | 74,172    |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 74,172    |
| 17.                          | Renovate Kitchen Facilities on East Concourse/Complete Refurbish   | M                     | \$ |         | 956,143   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 956,143   |
| 18.                          | Renovate Hughes Room/Complete Refurbish                            | M                     | \$ |         | 410,820   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 410,820   |
| 19.                          | Irrigation Pump Station  | M                     | \$ |         | 102,937   |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 102,937   |
| 20.                          | Replace Roofs on Concourse Level Buildings                         | M                     | \$ |         |           | 531,793   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 531,793   |
| 21.                          | Replace Elevator Shafts Roofs                                      | M                     | \$ |         |           | 9,446     |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 9,446     |
| 22.                          | Phase II Landscaping   | M                     | \$ |         |           | 113,191   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 113,191   |
| 23.                          | Add Parking Lot Lighting/Egress Pathways                           | M                     | \$ |         |           | 845,951   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 845,951   |
| 24.                          | Replace Press Box Roof   | M                     | \$ |         |           | 49,090    |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 49,090    |
| 25.                          | Replace Overhead Electrical  | M                     | \$ |         |           | 534,196   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 534,196   |
| 26.                          | Revitalize the Suites  | M                     | \$ |         |           | 1,368,026 |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 1,368,026 |
| 27.                          | Upsize Domestic Water Utility                                      | L                     | \$ |         |           | 309,381   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 309,381   |
| 28.                          | Revitalize Locker Rooms  | L                     | \$ |         |           | 408,279   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 408,279   |
| 29.                          | Replace Ticket Booths  | L                     | \$ |         |           | 177,793   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 177,793   |
| 30.                          | Replace Goal Post  | L                     | \$ |         |           | 84,595    |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 84,595    |
| 31.                          | Replace all Carpet   | L                     | \$ |         |           | 303,539   |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 303,539   |
| 32.                          | Revitalize Compression Strands                                     | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 381,564   |
| 33.                          | Replace Sound System   | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 786,191   |
| 34.                          | Replace Playing Surface  | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 1,748,834 |
| 35.                          | Gold Lot Asphalt Complete Refurbish                                | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 99,062    |
| 36.                          | Replace Suite Mechanical System RTU Split System (Included in #26) | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 1,747,681 |
| 37.                          | Replace Chair-Seating with New                                     | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 135,665   |
| 38.                          | Drainage Improvements at Ram Town                                  | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 94,487    |
| 39.                          | Provide Utility Service to Ram Town-Exterior Restrooms and Water   | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 1,977,832 |
| 40.                          | Replace Gates and Fencing  | L                     | \$ |         |           |           |  |  |  |  |  |  |          |      |      |      |      |      |      |      |      |       | \$      | 1,977,832 |

| Total Construction Cost Per Year |  | \$  | 1,534,277 | \$        | 8,054,386 | \$         | 1,469,900 | \$        | 654,430 | \$      | 4,080,850 | \$        | 381,564 | \$      | 2,634,087 | \$        | 3,955,665 | \$        | 22,765,159 |            |
|----------------------------------|--|-----|-----------|-----------|-----------|------------|-----------|-----------|---------|---------|-----------|-----------|---------|---------|-----------|-----------|-----------|-----------|------------|------------|
| Total Project Costs              |  | 1.3 | \$        | 1,994,560 | \$        | 10,470,702 | \$        | 1,910,870 | \$      | 850,759 | \$        | 5,305,105 | \$      | 496,033 | \$        | 3,424,313 | \$        | 5,142,365 | \$         | 29,594,707 |