

**Office of the President**

**TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:**

**ACTION ITEM**

*For Meeting of November 13, 2024*

**CAL SOFTBALL FIELD RENOVATION, BERKELEY CAMPUS: AMENDMENT OF BUDGET, EXTERNAL FINANCING, SCOPE, AND DESIGN FOLLOWING CERTIFICATION OF AN ENVIRONMENTAL IMPACT REPORT PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**EXECUTIVE SUMMARY**

The proposed Cal Softball Field Renovation project on the Berkeley campus (project) would renovate and improve the existing Cal Softball Field, which is the home of the UC Berkeley Intercollegiate Athletic Women's Softball Program. The project would upgrade the existing facility to meet modern safety and National Collegiate Athletic Association Division I competition standards, including improved field dimensions, training facilities, team locker rooms, permanent spectator seating, and access improvements. The project supports gender equity by providing improved facilities for female student-athletes and other recreational users. The renovated facility would be consistent with the University's Title IX commitments.

The Berkeley Chancellor approved the \$31.48 million project in August 2020. Subsequently, the project was subject to litigation pursuant to the California Environmental Quality Act (CEQA). Due largely to higher-than-anticipated bids, schedule delays caused by the litigation, and a court-ordered preparation of a new environmental document, the project budget has increased. The campus is shifting approximately \$3 million in sunk costs associated with Title IX issues related to the project, including legal and other campus administration fees, to the campus's operational budget. Accordingly, the total augmented budget is \$57.95 million and would be funded with campus funds, gift funds, and external financing. The campus has evaluated the project design to identify and incorporate feasible cost-saving and value-engineering opportunities while maintaining the overall programmatic requirements.

The Regents are being asked to: (1) approve a budget augmentation for a total project cost of \$57.95 million; (2) approve the scope; (3) approve external financing of \$29.49 million; (4) certify the Environmental Impact Report; (5) adopt the Mitigation Monitoring and Reporting Program; (6) adopt the CEQA Findings and Statement of Overriding Considerations; and (7) approve the revised project design.

**RECOMMENDATION**

The President of the University recommends that the Finance and Capital Strategies Committee recommend to the Regents that:

- A. The 2023-24 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Berkeley: Levine-Fricke Softball Field Improvements – preliminary plans, working drawings, and construction – \$31.48 million, to be funded from campus (\$27,903,000) and gift funds (\$3,577,000).

To: Berkeley: Cal Softball Field Renovation Project – preliminary plans, working drawings, construction, and equipment – \$57.95 million, to be funded from campus funds (\$24,883,000), gift funds (\$3,577,000), and external financing supported by campus funds (\$29.49 million).

- B. The scope of the Cal Softball Field Renovation project be approved. The project shall provide permanent spectator seats and concourse, a press box, competition-grade lights, restrooms, a public address system, expanded playing field dimensions to meet National Collegiate Athletic Association Division I standards, team locker rooms, improved training facilities, a ticket booth, an entry plaza, and circulation improvements along Centennial Drive.

- C. The President be authorized to obtain external financing in an amount not to exceed \$29.49 million plus additional related financing costs to finance the Cal Softball Field Renovation project and declare that external financing may be used to reimburse prior expenditures. The President shall require that:

- (1) Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.
- (2) As long as the debt is outstanding, the general revenues of the Berkeley campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
- (3) The general credit of the Regents shall not be pledged.
- (4) Any reimbursements will meet all requirements set forth in Treasury Regulations Section 1.150-2.

- D. Following review and consideration of the environmental consequences of the Cal Softball Field Renovation project, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff to the Regents no less than 48 hours in advance

of the beginning of the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

- (1) Certify the Environmental Impact Report for the Cal Softball Field Renovation project.
- (2) Adopt the Mitigation Monitoring and Reporting Program for the Cal Softball Field Renovation project and make as a condition of approval the implementation of mitigation measures within the responsibility and jurisdiction of the Berkeley campus.
- (3) Adopt the CEQA Findings and Statement of Overriding Considerations for the Cal Softball Field Renovation project.
- (4) Approve the design of the Cal Softball Field Renovation project, Berkeley campus.

### **BACKGROUND**

The Berkeley Chancellor approved the Cal Softball Field Renovation Project (formerly the Levine-Fricke Softball Field Improvements Project) (project) in August 2020 under authority pursuant to Delegation of Authority (DA) 2629 - Capital Project Matters<sup>1</sup>. After the project was approved, the project was subject to litigation from adjacent neighbors (the Panoramic Hill Association) pursuant to the California Environmental Quality Act (CEQA). The trial court determined that the environmental document prepared for the project (an Addendum to the 2005 Long Range Development Plan Environmental Impact Report) was not legally adequate and ordered the campus to prepare a new CEQA document prior to reapproving the project. The campus has since prepared an Environmental Impact Report (EIR).

The Berkeley campus is committed to providing its existing women's Intercollegiate Athletic (IA) teams with fields, courts, and associated amenities similar to what their male counterparts already enjoy while meeting the University's obligations under Title IX. The existing Cal Softball Field does not meet current National Collegiate Athletic Association Division I (NCAA) standards for field dimensions, seating, and lighting. This puts Berkeley's IA Women's Softball Program at a competitive disadvantage in terms of practices, gameplay, and hosting tournaments and postseason games. Consistent with its Title IX commitment to provide equitable athletics facilities for male and female student-athletes, the project's objective is to provide an equitable facility for women's softball and support compliance with Title IX. The improvements would also benefit the campus's recreational and intramural programs and public-serving youth summer camps that use the facility.

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<sup>1</sup> Under DA 2629, the Chancellor has the authority to approve budget (non-State) and design for capital projects with a project budget up to and including \$70 million, subject to review by the Office of the President (UCOP) prior to approval.

## **PROJECT SCOPE AND DESCRIPTION**

The project scope would include replacing the existing field, dugouts, batting cages, and seating with an expanded playing field, permanent spectator seats and concourse, a press box, competition-grade lights, a public address system, team locker rooms, restrooms, a ticket booth, and improved training facilities. The improvements would meet NCAA competition standards and improve conditions for all facility users. The project would also improve site access, including sidewalks and a bus stop. The project would remove approximately 85 parking spaces and eliminate approximately \$5 million in deferred maintenance obligations related to the existing facility. The project's scope and design have been optimized to meet the programmatic requirements and available resources.

Proposed changes to the existing facility would include the following:

- Conforming field dimensions to current NCAA standards for outfield and foul territory.
- Replacing and extending sports fencing to improve site safety and secure the facility.
- Providing enclosed dugouts for teams that are separated from spectators.
- Replacing the existing permanent and temporary seating with new permanent seating for up to 1,511 spectators and a fan concourse.
- Providing team rooms for both home and visiting teams, as well as umpires.
- Providing separate accessible restrooms for players in team rooms and spectators in the fan concourse.
- Expanding team training space, including four batting cages and a bullpen pitching area.
- Providing a permanent press box for media with defined locations for cameras and fiber connections.
- Installing permanent lighting that conforms to NCAA standards for competition and TV broadcasting.
- Providing a new public address system.
- Upgrading utility connections, including additional power and data connections, electrical, water, sewer, storm water drainage, and telecommunications.
- Providing access and right-of-way improvements along Centennial Drive, including sidewalk improvements, Americans with Disability Act access, and an entry plaza.

The use of the softball facility would remain largely the same as the existing softball field. During the fall, the facility would be primarily used for practices, intramural play, camps/clinics, and other occasional daytime competitions. During the spring semester, the facility would be used for regular and postseason softball events, as well as practices and intramural sports and activities. During the summer, the facility would be used for intramural recreation and campus-run public-serving youth summer camps. The project would accommodate the practice and competition needs of the women's softball team, including the ability to play in the evening and host playoff games.

**NEED FOR AUGMENTATION, REVISED FUNDING PLAN, AND FINANCIAL  
FEASIBILITY**

The project was bid in April 2021 while the CEQA litigation was pending. The campus received construction bids that were approximately 50 percent higher than previous estimates and the approved budget. In May 2021, the court ruled against the campus. At that time, the campus decided not to pursue a budget augmentation and pivoted to address the CEQA issues addressed in the court ruling, including wildfire risk and emergency evacuation. While the new environmental document was prepared, the campus monitored construction market pressures that would affect the project's budget so that when an augmentation was eventually sought, the campus would have more information to develop the revised budget. The project is also required to update its drawings to address changes in life safety and code requirements since the original drawings were prepared.

Considering the increased costs, the campus refined the project cost estimate with a better understanding of site conditions, inflationary cost pressures, and construction market conditions. Adjustments in the project's specifications have been made to lower costs where feasible after examining cost-saving measures and value engineering opportunities. These reviews considered how best to address cost concerns while also maintaining the programmatic requirements that make the facility equitable for female student athletes. Despite these adjustments, the project's overall scope, program, and design are consistent with the 2020 approval.

The revised project budget of \$57.95 million and reflects the anticipated cost to deliver the project as designed and shifting approximately \$3 million in sunk costs associated with Title IX issues related to the project, including legal and other campus administration fees, to the campus's operational budget. As a cost saving measure, the project will be exempt from the Berkeley campus's Capital Renewal Fee.

***Revised Funding Plan and Financial Feasibility***

With the removal of sunk costs, the campus requests approval of a budget augmentation of \$29.49 million, bringing the total project budget to \$57.95 million (see Attachment 1). The project budget would be funded with campus funds (\$24,883,000), gift funds (\$3,577,000), and external financing (\$29.49 million).

The estimated debt service for the \$29.49 million of external financing at a planning rate of 4.25 percent is \$1,757,552 per year, including principal and interest, over a 30-year term.

Over a ten-year period, the campus is projected to have a minimum modified cash flow margin of 5.5 percent and debt service coverage of 1.5x, as required by the University's Debt Policy. Days' cash on hand is 127 days as of August 31, 2024, which also meets the University's Debt Policy requirements. The Summary of Financial Feasibility is provided in Attachment 2.

### ***Project Schedule***

Following approval, construction is anticipated to start in winter/spring 2025 and be complete in 2026. The project would be implemented using the Construction Manager at Risk method with a guaranteed maximum price contract.

## **PROJECT DESIGN**

### ***Site and Location***

The project is located within the Berkeley campus's Hill Campus West zone and the Strawberry Canyon Recreation Area (refer to Project Location Map, Attachment 4). The site is currently occupied by the existing Cal Softball field and a surface parking lot.

### ***Project Design***

The project design is substantially the same as the one approved in 2020 under the delegated authority; however, revisions have been made to features of the design that respond to life safety and code requirements to address changes in the code since the original project drawings were complete. Design Graphics are provided in Attachment 5.

The new main entrance to the facility would be located at the northwest corner of the site on Centennial Drive. The new entrance would provide the facility with an accessible entrance, including gathering places, landscaping, a ticket booth, and signage. Other access improvements include a drop-off loop on the northeast corner of the site and improvements to the sidewalk on Centennial Drive and extending to Stadium Rim Way to the west.

The renovated field would conform to the minimum dimensions of an NCAA-compliant softball facility—200 feet down the lines and 220 feet to centerfield. The infield would be resurfaced with new fine-grained aggregate material, and the existing grass outfield would be replaced with synthetic turf. The field and facilities would be surrounded by backstop fencing and perimeter fencing, as well as a ten-foot-high outfield fence and 55-foot-high transparent safety netting along Centennial Drive. An LED scoreboard display (approximately 35 feet by 20 feet) would be installed in the outfield to face spectator seating to the southwest. Views of the display from the south would be screened by the dense trees.

The project would construct an approximately 30,500-square-foot two-story, pre-cast concrete structure housing the bullpen, the concourse, and the press box on the site's southwest corner. The top of the press box, which represents the tallest portion of the building, would be 35 feet high, and the concourse would be 20 feet high. The press box would be clad in a metal panel system with an aluminum curtain wall. The pre-cast concrete structure would include the new fan concourse and up to 1,511 permanent seats extending out and surrounding the new field. Approximately 22,000 square feet would be exterior ballpark spaces, including spectator seating, bullpens, and dugouts, and approximately 8,500 square feet would be enclosed spaces, including locker rooms, a press box, lounges, and a training room.

***Sustainable Practices***

The project would comply with the University of California Sustainable Practices Policy that was in place at the time the project was originally designed and approved in 2020, which included being designed to achieve the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED)<sup>TM</sup> Silver certification. Aside from revisions to address life safety and code requirements, the design would remain the same as planned in 2020 and revising the design to meet LEED<sup>TM</sup> Gold would result in even greater cost increases to the project. In addition to meeting LEED<sup>TM</sup> Silver, the project would include several sustainability features, including being all-electric, eliminating diesel backup generators, a high-thermal performance building envelope, lighting-power density reduction, variable-frequency drives for all motors, heat recovery systems, and high-efficiency mechanical equipment.

This project has been analyzed by the UC Operational Carbon and Energy Assessment for New Construction (OCEAN) Tool, and results are provided in Attachment 6.

***Long Range Development Plan***

The project is consistent with the 2021 Long Range Development Plan (LRDP) (Attachment 7). The site is currently used for softball activities, including Intercollegiate play. The 2021 LRDP identifies Athletics and Recreation as a priority land use in the Hill Campus West zone.

**CONSISTENCY WITH SELECT UC POLICIES AND PRACTICE**

The project complies with the UC Policies for Seismic Safety, Sustainability, and Small/Disabled Veteran Business Enterprises.

**CEQA COMPLIANCE**

A summary of the CEQA process and the environmental impacts of the proposed project are provided in Attachment 8. Pursuant to CEQA, the University prepared an Environmental Impact Report (EIR) for the Cal Softball Field Renovation project (SCH # 2022110035) (Attachment 9). The EIR is a project EIR that examines the environmental impacts of the specific project and is not tiered from a programmatic EIR, such as the campus's 2021 Long Range Development Plan. CEQA Findings and a Statement of Overriding Considerations have been prepared to support the University's determination regarding project impacts, mitigation measures, and CEQA alternatives (Attachment 10).

**KEY TO ACRONYMS**

CEQA	California Environmental Quality Act
DA	Delegation of Authority
EIR	Environmental Impact Report
IA	Intercollegiate Athletics
LEED™	Leadership in Energy and Environmental Design
LRDP	Long Range Development Plan
NCAA	National Collegiate Athletic Association Division I
project	Cal Softball Field Renovation project

**ATTACHMENTS**

Attachment 1:	Project Sources and Uses
Attachment 2:	Summary of Financial Feasibility
Attachment 3:	<a href="#">Comparable Construction Analysis</a>
Attachment 4:	<a href="#">Project Location Map</a>
Attachment 5:	<a href="#">Design Graphics</a>
Attachment 6:	UC Operational Carbon and Energy Assessment for New Construction (OCEAN) Tool
Attachment 7:	2021 LRDP: <a href="https://berkeley.app.box.com/s/rbb4buhz5b3w7yz8gk7ot2n759fpqbrs">https://berkeley.app.box.com/s/rbb4buhz5b3w7yz8gk7ot2n759fpqbrs</a>
Attachment 8:	<a href="#">Environmental Impact Summary and Comments Received After the Close of the Public Comment Period</a>
Attachment 9:	Cal Softball Field Renovation Project Environmental Impact Report (EIR) and Mitigation Monitoring and Reporting Program: Draft EIR: <a href="https://berkeley.app.box.com/s/mr93b2j54yt4ulb5d30mwiv4ss6zxsvm">https://berkeley.app.box.com/s/mr93b2j54yt4ulb5d30mwiv4ss6zxsvm</a> Draft EIR Appendices: <a href="https://berkeley.app.box.com/s/j2zgv7eplul2usry7lixhom1zu0xmnj7">https://berkeley.app.box.com/s/j2zgv7eplul2usry7lixhom1zu0xmnj7</a> Final Environmental Impact Report and Appendices: <a href="https://berkeley.app.box.com/s/sxcrpk1kml7gh5dw84n6qeq1y7csy286">https://berkeley.app.box.com/s/sxcrpk1kml7gh5dw84n6qeq1y7csy286</a> Mitigation Monitoring and Reporting Program: <a href="https://drive.google.com/file/d/1_dKiLORDi3kq6ufPh3TU39kP5Jwh2gT/view">https://drive.google.com/file/d/1_dKiLORDi3kq6ufPh3TU39kP5Jwh2gT/view</a>
Attachment 10:	CEQA Findings and Statement of Overriding Considerations

**PROJECT SOURCES AND USES**  
**CAL SOFTBALL FIELD RENOVATION**

**Project Sources (\$000s)**

Source	Original Budget (Aug 2020)	Sunk Costs (thru Nov 2024)	Original Budget Less Sunk Costs	Augmentation (Nov 2024)	Total Project Budget	Percentage <sup>1</sup>
External Financing	-	-	-	29,490	29,490	50.9%
Campus Funds	27,903	(3,020)	24,883	-	24,883	42.9%
Gift Funds	3,577	-	3,577	-	3,577	6.2%
<b>Total Sources</b>	<b>31,480</b>	<b>(3,020)</b>	<b>28,460</b>	<b>29,490</b>	<b>57,950</b>	<b>100%</b>

**Project Uses (\$000s)**

Uses	Original Budget (August 2020)	Sunk Costs (thru Nov 2024)	Original Budget Less Sunk Costs	Augmentation (Nov 2024)	Total Project Budget	Percentage <sup>1</sup>
Site Clearance	-	-	-	1,762	1,762	3.1%
Building	24,805	(184)	24,621	14,642	39,263	68.7%
Exterior Utilities	100	-	100	10	110	0.2%
Site Development	360	-	360	6,147	6,507	11.4%
A/E Fees <sup>2</sup>	1,795	(2,086)	(291)	1,521	1,230	2.2%
Campus Administration <sup>3</sup>	1,557	(650)	907	(384)	523	0.9%
Surveys, Tests, Plans <sup>4</sup>	425	-	425	423	848	1.5%
Special Items <sup>5</sup>	416	(100)	316	291	607	1.1%
Contingency	2,022	-	2,022	4,278	6,300	11.0%
<b>Total PWC<sup>1,6</sup></b>	<b>31,480</b>	<b>(3,020)</b>	<b>28,460</b>	<b>28,690</b>	<b>57,150</b>	<b>100%<sup>6</sup></b>
Group 2&3 Equipment	-	-	-	200	200	
<b>Total Project</b>	<b>31,480</b>	<b>(3,020)</b>	<b>28,460</b>	<b>28,890</b>	<b>57,350</b>	
Interest During Construction	-	-	-	600	600	
<b>Grand Total<sup>1</sup></b>	<b>31,480</b>	<b>(3,020)</b>	<b>28,460</b>	<b>29,490</b>	<b>57,950</b>	

Notes:

1. Because of rounding, some totals may not correspond with the sum of the separate parts.
2. A/E fees include the executive architect's basic services fee.
3. Includes project management, contract administration, and inspection.
4. Includes testing and special inspections.
5. Includes pre-design, hazardous materials survey and specialty testing consultants, plan check, and agency reviews.
6. Cost of preliminary plans (P), working drawings (W), and construction (C).

**COST DRIVERS**

- The campus has identified a required minimum scope based on Title IX requirements.
- The project site has several challenging site conditions.
  - The project is in a canyon with limited site access via Centennial Drive.
  - Strawberry Creek runs in a culvert under the project site, creating substandard soil conditions.
  - The facility includes retaining walls to address hillside conditions surrounding the site.
  - The campus is land-constrained and moving the softball facility to another site is infeasible due to Title IX and physical constraints.

## SUMMARY OF FINANCIAL FEASIBILITY

<b>BERKELEY CAMPUS</b>	
Project Name	<b>Cal Softball Field Renovation Project</b>
Project ID	912650
Total Estimated Project Cost	<b>\$57,950,000</b>
Interest During Construction	\$600,000

<b>PROPOSED SOURCES OF FUNDING</b>	
Campus Funds	\$24,883,000
Gift Funds	\$3,577,000
External Financing	\$29,490,000
<b>Total</b>	<b>\$57,950,000</b>

## SECTION I. Financed Projects

<b>FINANCING ASSUMPTIONS</b>	
Total Financing	\$29,490,000
Anticipated Repayment Source	Campus Funds
Anticipated Fund Source	General Campus Funds
Financial Feasibility Rate	4.25%
First Year of Principal (e.g. FY 20XX)	FY 2027
Term (e.g. 30 years)	30
Final Maturity (e.g. FY 20XX)	FY 2056
Estimated Average Annual Debt Service	\$1,757,552

Below are results of the financial feasibility analysis for the proposed project using the campus' Debt Affordability Model. The model includes projections of the campus' operations and planned financings.

<b>CAMPUS FINANCING BENCHMARKS</b>			
<b>Measure</b>	<b>Campus Metric</b>	<b>Approval Threshold</b>	<b>Requirement</b>
Modified Cash Flow Margin	5.5% (minimum), 2026 (yr)	$\geq 0.0\%$	Must Meet
Debt Service Coverage	1.5x (minimum), 2026 (yr)	$\geq 1.1x$	
STIP/TRIP Days Cash on Hand	127 days, 08/31/2024	$\geq 90$ days	