

May 17, 2024

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**WILLIAM & MARY**

CHARTERED 1693

May 15, 2024

To: Katherine A. Rowe, President
Executive Committee, Board of Visitors

From: Sean C. Hughes, Associate Vice President for Business Affairs

Subject: 204 – 90012 Kaplan Arena Renovation & Sports Complex Addition

This memo serves to brief the Board on the status of improvements to the Kaplan Arena. This project involves two key strategic goals:

- Renovate existing facilities to sustain Title IX compliance
- Deliver on a Sports Performance facility to serve all 23 Division I athletic teams.

Based on our analysis of prior Board authorizations, no immediate action is needed at the Executive Committee meeting. Yet, because this is a major strategic initiative, it is an important moment to renew the Board's knowledge of the project.

If you have any questions, please reach out to Sean Hughes, Associate Vice President for Business Affairs at schughes@wm.edu or via phone at 221-7805.

cc: Brian Mann, Athletics Director;
Jacob Long, AVP for Budget and Financial Planning
Michael Fox, Senior Assistant to the President and Secretary to the BOV

Overview. The Kaplan Arena Renovation & Sports Complex Addition project originated in 2019 through the annual capital plan approval process. This project was originally approved as a non-general fund project, at a budget not to exceed \$57,600,000. The Board of Visitors subsequently authorized debt offerings for this project. William & Mary Athletics and Facilities staff engaged in value engineering to stay within the original budget, as with any capital project. As part of the value engineering process, the project was broken into packages for construction efficiency and contracting speed.

Preconstruction. This phase focuses on design and value engineering and culminates in an agreement on the guaranteed maximum price for the construction work. Certain aspects of the project were completed during this phase including locker room renovations, renovations to the existing weight room, replacement of the scoreboard, and upgrades to lighting and mechanical systems.

Change in Contractor. The contractor initially hired to perform preconstruction services has been replaced for the construction phase by Barton Mallow, who has built multiple sports performance facilities. Barton Mallow will place orders for long lead items (steel, HVAC) and mobilize the site this spring. By Sept. 2025, the remaining Kaplan Arena improvements will be completed and by Dec. 2025 the Mackesy Sports Performance Center will be completed.

Budget. This project was approved as a non-general fund project, at a budget not to exceed \$57,600,000.

- *Debt Authorization.* The BOV approved use of \$16,350,000 of currently unobligated debt for Kaplan. We will issue \$12,000,000 of debt to cover the remainder of the project. In September, we will brief the Finance Committee on W&M's complete debt portfolio.
- *Capital Funds.* Almost \$9.5 million will be provided from the budgets for Athletics and capital improvements.
- *Donor Support.* \$36.05 million will be covered by generous donors and foundation funds.