

JOHN A. LAWRENCE
STATE REPRESENTATIVE
13TH LEGISLATIVE DISTRICT



HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

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The Pennsylvania State University
Eric Barron, President
201 Old Main
University Park, PA 16802

May 14, 2018

Dear President Barron –

I trust all is well.

I write with concerns surrounding the proposed “Third Level Suite Renovation and Elevator / Lobby Addition and Renovation” at Beaver Stadium. I am asking for your review and clarification on certain elements of this project.

To take a step back, at the July 21, 2017 board meeting, the Penn State Board of Trustees approved a number of significant policy changes. As you are aware, prior to July 21, 2017, board approval was required for “Any new construction or renovation project for which the total project cost is \$5 million or more.” The board voted to increase the approval threshold such that the Penn State Board of Trustees must approve any construction or renovation project on campus that exceeds \$10 million.

In early 2018, the Office of the Physical Plant (OPP) solicited bids for project number 00-06211.00 and 00-06210.00, entitled “Beaver Stadium Third Level Suite Renovation and Elevator / Lobby Addition and Renovation.” As I understand it, the project contemplates two main features: the renovation of the President’s Suite at Beaver Stadium, and the construction and installation of a new “exclusive” elevator to access the President’s Suite. The project description, per OPP, is as follows:

“The project involves both the renovation of the Beaver Stadium Third Level President’s Suite and a more direct and exclusive elevator / lobby access to the suites. The project will be separated into two projects for bidding, contracting, and construction purposes including possible project phasing; however, the overall construction must be coordinated between the two projects to

create one seamless project when completed. Although, the proposal involves two separate projects, the intent is to select one Construction Management Firm to perform both projects."

At the May 4, 2018 board meeting, a trustee brought this project before the full board for discussion and clarification. In response to specific questions, it was noted that the project was at the planning stage, and professionals had been retained who would determine, among other things, the estimated cost for each portion of the project.

On a related note, published reports from March 2017 outline an ambitious twenty year plan to construct and renovate various sports facilities at the University Park campus. Included in this proposal is a plan to significantly renovate Beaver Stadium. As noted in the March 14, 2017 edition of the *Lewistown Sentinel*:

*"Beaver Stadium will look very different once the project is completed, based on artist renderings...[T]here will be three seating decks and more chairbacks in the main seating area, **plus the suites on one side will be taken down** and moved to a lower level" (emphasis added.)*

The article goes on to state that the proposed stadium renovations could take ten or more years to come to fruition.

With all of this information in mind, I would like clarification regarding the scope and timing of this project, specifically:

- Why was the Third Level Suite Renovation and Elevator / Lobby Addition bid as "two projects for bidding" when in reality it is "one seamless project"?
- Was the seemingly unusual and creative separation of this project into "two projects for bidding...purposes" specifically an attempt to keep each segment under the \$10 million threshold required for board approval?
- Have you received any preliminary estimates as to what this project/projects may cost?
- If only one part of the proposed project proceeds, and the cost is under \$10 million, will the project be brought before the board for approval given the highly visible nature of the project?
- If the proposed project proceeds, will funding come from the athletic department's budget, the general fund of the university, donors, or other funds?
- Has the University considered the optics of a multimillion dollar renovation of the President's suite at Beaver Stadium, and the construction of an "exclusive elevator" at a time when tuition costs for Penn State are at an all-time high, and Penn State is regularly profiled as having one of the most expensive in-state tuition rates in the nation?

- What is the need to renovate the President's suite? I have been in the President's suite, and candidly, it is an incredible venue as-is. What specific additional features or upgrades are contemplated? Has the University obtained architectural renderings of the proposed upgrades, and are these available for review?
- If the project proceeds, what is the likelihood that the improved suite and newly installed elevator will be "taken down" when the suites are "moved to a lower level" as envisioned in the twenty-year plan to renovate Penn State's athletic facilities? Is the current President's suite one of the suites that is slated for removal?

I recognize that Penn State is in competition with other elite universities across the nation, and that the role of athletic facilities has changed over the years. What was once simply a venue to play games now takes on a significant role in a competitive environment recruiting both athletes and financial donors to the university. As a top-tier institution of higher learning, certainly Penn State has to be mindful of this reality.

However, the history of Penn State also shows that our forbearers were practical and fiscally prudent, even going to the trouble of moving Beaver Stadium piece-by-piece across campus in 1960 rather than build a new stadium from scratch. We must honor this legacy of ingenuity and frugality as well. I am convinced that a spectacular game day experience for some of Beaver Stadium's most important guests and Penn State's most generous donors is still possible even if a renovation of the President's suite and the construction of an exclusive elevator is put on hold.

I sincerely appreciate both your thoughtful response to these concerns, and your continued leadership of the Pennsylvania State University.

Kind Regards –



John Lawrence
State Representative
Commonwealth of Pennsylvania
Penn State Class of 2000

Cc: Honorable Stan Saylor, Chairman, House Appropriations Committee
Honorable David Hickernell, Chairman, House Education Committee

BEAVER STADIUM THIRD LEVEL SUITE RENOVATION AND ELEVATOR / LOBBY ADDITION & RENOVATION

Project Number:

00-06211.00 and 00-06210.00

Project Status:

Construction Project Delivery

Campus:

[University Park](#)

Project Stage:

Bid Complete

Project Description:

The project involves both the renovation of the Beaver Stadium Third Level President's Suite and a more direct and exclusive elevator/lobby access to the suites. The project will be separated into two projects for bidding, contracting, and construction purposes including possible project phasing; however, the overall construction must be coordinated between the two projects to create one seamless project when completed. Although, the proposal involves two separate projects, the intent is to select one Construction Management Firm to perform both projects.

PSU Project Leader:

[MARV BEVAN](#)

Response Date:

Friday, February 16, 2018 - 3:00pm

Attachments:

| Attachment | Size |
|---|-----------|
|  RFQ | 423.91 KB |

Awarded To:

Mortenson



PennState

Meetings of the Board of Trustees | July 21, 2017

Minutes

Section 5.09 Delegation of Duties. The Board of Trustees may in its discretion delegate for the time being the powers and duties, or any of them, of any officer to any other person whom it may select. Upon authorization by the Board of Trustees, an officer may delegate performance of specific duties to employees and agents of the University.

(a) Notwithstanding the foregoing, the following matters shall require the approval of the Board of Trustees:

- (i) Basic University Organization and Policy
 - (1) Amendments to the Charter, Bylaws and Standing Orders;
 - (2) All reports of standing or special committees of the University's Board of Trustees;
 - (3) All major modifications of educational policy;
 - (4) Authorization to grant degrees to graduates;
 - (5) ~~The determination of the major goals of the University, including the establishment and review of long-range plans for the educational, financial and physical development of the University; and~~ The University's Strategic Plan; and
 - (6) University intellectual property policy.
- (ii) Fiscal Matters
 - (1) Establishment of, or material changes in existing, major University fiscal policies;
 - (2) ~~Annual operating budgets and changes in the approved totals, state~~ State appropriation requests, ~~and appropriation of building funds unappropriated and annual operating budgets;~~
 - (3) Acceptance of gifts, bequests, grants, fellowships, scholarships, loan funds that are not in accord with established policy;
 - (4) Establishment of, or changes in, ~~fees including~~ tuition, room and board rates and mandatory student fees;
 - (5) Authorization to borrow money; authorization of persons to sign checks, contracts, legal documents, and other obligations, and to endorse, sell, or assign securities; and
 - (6) Selection of a firm to make annual audit of University accounts.
- (iii) Capital Projects

- (1) Establishment of, or changes in the University's five year Capital Plan;
 - (2) Establishment of, or changes in, existing policies, on matters such as selection of architects, naming of buildings and roads, preservation of campus landmarks;
 - (23) Purchase of land and other real estate with a purchase price of \$1 million or more;
 - (34) Sale of land or other real estate, with the exception of the sale of land and other real estate with a sale price of less than \$3 million gifted to the University for the express purpose of sale with proceeds benefitting the University;
 - (45) Honorific names for individual buildings and roads;
 - (56) Any new construction or renovation project for which the total project cost is \$510 million or more, including
 - (A) Total project cost; provided however, that the Officers of the University shall have the discretion to expend up to an additional 10 percent of the approved total project cost, as necessary;
 - (B) Appointment of designers, unless such project is funded in whole or in part with Commonwealth funds or designed by University employees;
 - (C) Design; and
 - (D) Awarding of contracts for construction;
 - (67) Projects under \$510 million in cost that are bond-financed;
 - (78) Other capital expenditures of \$510 million or more.
- (iv) Personnel Matters.
- (1) The selection, evaluation, compensation and removal of the President of the University, in accordance with policies and procedures adopted by the Board of Trustees from time to time. This responsibility includes a commitment to grant the President broad delegated authority, to support the President in his/her exercise of such authority, to judge the performance of the President, and if necessary, to remove the President. In the selection of a President, the Board shall consult with representatives of the faculty and the student body;
 - (2) The establishment of and any changes to the University's executive compensation philosophy;

The Sentinel

Renovations announced at Penn State



Penn State University

An artists' rendering shows the renovations to Beaver Stadium in University Park. Penn State has announced a number of makeovers to its athletic facilities.

UNIVERSITY PARK — Penn State has a grand vision to renovate and beautify Beaver Stadium during an ambitious 20-year facilities master plan, but as of now, there is still no timetable in place for when the project will be started or completed.

It will be at least six years before major renovation work on Beaver Stadium begins, and quite possibly longer, then it would take an additional three to four years to finish.

Under the current plan, the stadium's seating capacity would decrease to roughly 103,000, down from the current 106,572, where it ranks as the third-largest stadium in the world.

Those details and others about the overall facilities plan were revealed for the first time Monday as Penn State officials showed artist renderings and answered questions about proposed upgrades and additions to the campus' athletics district. Chief among the highlights, the school also plans to build a new 450,000 square foot athletics hub to be called the Center of Excellence.

"This facilities master plan will have a huge impact over a significant period of time," athletic director Sandy Barbour said.

"It's a 20-year plan, it's a road map," the AD added. *"And like any road map, there will be detours and there will be rerouting along the way."*

The facilities plan will be broken down into five-year phases, and will cost a lot of money. Just how much isn't known, but Penn State hopes to raise a minimum of \$120 million over the next five years to do work on the various projects in phase one.

The Beaver Stadium renovation is not scheduled to begin during the first phase. No major upgrade is planned to the Bryce Jordan Center for

basketball during that time, either.

So, exactly when will construction start on Beaver Stadium? At this point, officials do not know.

Barbour said the initial five-year phase, to begin in fiscal year 2018-19, will be used on *“design, sequence and fundraising.”*

“This is an aspirational plan,” Barbour said. *“We’ll ultimately build what we can afford.”*

Whenever the work on Beaver Stadium does begin, it will take part in phases spread out over several years, much the same as Texas A&M did with its stadium, Kyle Field.

After one season, work will be done on one side of the stadium from December until August. Then, after that season, work on another section will be done. Deputy AD Phil Esten said the project should take three to four seasons to complete.

Under the best-case scenario, if Penn State raises the money it needs over the initial five-year phase, work could then begin on the stadium in December of 2023. It would not be completed until at least the 2026 season, and possibly 2027.

If it takes longer to raise the money, it could push the project completion back to 2030 or later.

Beaver Stadium will look very different once the project is completed, based on artist renderings. The outside will feature a new light brown brick *“skin”* that will match the theme of the other athletics facilities. There will be three seating decks and more chairbacks in the main seating area, plus the suites on one side will be taken down and moved to a lower level.

The student section, arguably the best in the nation, will not be affected, Barbour said.

The renovation also will improve fan amenities, such as new concession locations and food options, wider concourses, additional premium seating

and new restrooms, according to the university.

While Beaver Stadium will get a major overhaul — specifics of which were discussed Monday — nothing specific was mentioned about how the university plans to better the fan experience for men's basketball.

The Bryce Jordan Center has long been criticized for lacking in atmosphere, and Esten said the school does hope to make upgrades that will help in that regard. But aside from agreeing that moving some seats closer to the court could help, neither Esten nor Barbour offered up anything specific about potential changes.

The university will focus on the following upgrades/additions over the initial five-year period:

— **CENTER OF EXCELLENCE:** The new hub for Penn State's 800 student-athletes, staff and coaches and will be constructed where the East Area Locker Room currently is located. The 450,000-square foot facility will centralize services and other resources for student-athletes, including performance enhancement, sports performance and sports science facilities as well as a nutrition center, and will house locker rooms and coaches' offices for the field hockey and men's and women's lacrosse, soccer and tennis programs.

— **INDOOR PRACTICE FACILITY:** A new 108,000-square foot indoor practice facility, similar to Holuba Hall, will be attached to the Center of Excellence, providing practice space for the baseball, softball, men's and women's golf, lacrosse and soccer programs, as well as indoor workout space for all 31 sports.

— **NATATORIUM:** The new 130,000-square foot facility will include a 10-lane, 50-meter competition pool, a separate lap pool with campus recreation programming capability and a diving well that will permit diving competition from 1, 3, 5, 7.5 and 10-meter boards and platforms. The complex will have seating for approximately 2,500 spectators. The new natatorium will provide opportunities for Penn State to host significantly more swimming and diving events than at McCoy Natatorium, which opened in 1967. It will be located either on its current

location on the corner of Bigler and Curtain roads, or will be constructed just north of the Penn State's outdoor track, near Porter Road.

— **INDOOR TENNIS FACILITY:** This new 100,000-square foot complex will feature 10 courts, facilities for the men's and women's tennis teams, campus recreation space, seating for approximately 500 spectators and a pro shop. The facility will be located just west of the Field Hockey Complex.

— **JEFFREY FIELD:** The home of the Nittany Lion men's and women's soccer programs; upgrades include new gameday home and visiting team locker facilities, chairback seats for fans with covered seating on the west side of the facility, concessions and restrooms, a videoboard, media facilities and new lighting around the complex. Seating capacity will be approximately 4,000 upon completion.