

Utah State Building Board



MEETING

October 16, 2003

MINUTES

Utah State Building Board Members in attendance:

Larry Jardine, Chair
Kay Calvert, Vice Chair
Steven Bankhead
Cyndi Gilbert
Manuel Torres
Katherina Holzhauser

DFCM and Guests in attendance:

F. Keith Stepan	Division of Facilities Construction & Management
Kenneth Nye	Division of Facilities Construction & Management
Shannon Lofgreen	Division of Facilities Construction & Management
Blake Court	Division of Facilities Construction & Management
Francis X. Lilly	Division of Facilities Construction & Management
Camille Anthony	Department of Administrative Services
Randa Bezzant	Governor's Office of Planning and Budget
Kevin Walthers	Legislative Fiscal Analyst's Office
Mark Spencer	Board of Regents
Senator Beverly Evans	Senate
Nancy Lyon	University of Utah
John W. Huish	University of Utah
Ron Pugmire	University of Utah
Rand Johnson	Salt Lake Community College
Gordon Storrs	Salt Lake Community College
Bob Askerlund	Salt Lake Community College
Brent Goodfellow	Salt Lake Community College
Richard Maughn	Bridgerland ATC
Richard Jones	Uintah Basin ATC
Kevin Hansen	Weber State University
Norm Tarbox	Weber State University
Darrell Hart	Utah State University
Kevin Womack	Utah State University

Rosemarie Carter	Department of Workforce Services
Jackie McGill	Spectrum Engineers
Melanie Nelsen	VCBO Architecture
Julee Attig	Jacobsen Construction
Doug Wright	Department of Corrections
Chris Mitchell	Department of Corrections
David Williams	Camco Construction
Greg Stauffer	Southern Utah University
Stan Plewe	Dixie State College
Raymond Duda	Utah National Guard
Gordon Bissegger	Courts
Dennis Geary	College of Eastern Utah
Jim Michaelis	Utah Valley State College
Mike Bouwhuis	Davis ATC
Gregory G. Fitch	UCAT
Linda Rutledge	Utah Schools for the Deaf and Blind
Bryan Wilmot	Department of Corrections/UCI
Sean Wright	MHTN Architects
Bart Hopkin	Department of Human Services
Dennis Kellen	Department of Alcoholic Beverage Control

On Thursday, October 16, 2003, the Utah State Building Board held a regularly scheduled meeting at the Utah State Capitol, Committee Room 131, Salt Lake City, Utah. Chairman Larry Jardine called the meeting to order at 9:06am.

APPROVAL OF MINUTES OF SEPTEMBER 12, 2003.....

Chair Larry Jardine sought a motion on the Building Board meeting minutes of September 12, 2003.

MOTION: Kay Calvert moved to approve the Building Board minutes of September 12, 2003. The motion was seconded by Steve Bankhead and passed unanimously.

PRIORITIZATION OF STATE-FUNDED CAPITAL DEVELOPMENT REQUESTS
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Keith Stepan stated the Board primarily requests the Legislature to approve the capital improvement funding as the number one priority. In the past, the Board had requested and was approved a 1.1% of the value of the existing state owned buildings. This year, the 1.1% request would be for \$53.7 million. If the Board was funded at the .9%, as funded last year, the request would be for \$43.9 million. The Board would need to include this as a request for continuation.

MOTION: Cyndi Gilbert moved to request 1.1% for the capital improvement funds as priority number one. The motion was seconded by Manuel Torres and passed unanimously.

Kenneth Nye stated the Capitol building has been of concern due to the funding impact on other capital development requests. Due to time constraints, DFCM anticipated on the Capitol Preservation Board presenting their needs at the next Board meeting on November 5. The Capitol Preservation Board was requesting \$185 million for the total cost of finishing the Capitol restoration including the base isolation, remodeling, structural upgrades, restoration of finishes, art, furnishings, etc. The cash flow needs would be for \$50 million per year for three years and \$35 million for the fourth year. Since the creation of the Capitol Preservation Board, the Building Board has not been including the Capitol as a ranked item, but has instead given an indication of support for the project. On November 5, DFCM will present language for the Board's approval regarding acknowledgement of the project within the list.

Mr. Nye noted the Tooele Courts made a minor correction on the dollar amount listed at the hearing. The current request for state funds is for \$7,103,000.

Keith Stepan explained that DFCM had requested the University of Utah and Okland Construction to discuss the possibility of a construction phasing for the library over three years. The first year funding would be approximately \$21.5 million, and would include the ASRS building and the ability to transfer materials, as well as the exterior seismic issues. The second year funding would be \$24.7 million and would cover the interior of the buildings. Approximately \$16.5 million would be phased for the third year. The University of Utah would provide an \$18 million donation. Mr. Stepan felt the Board should not base their ranking upon the phased funding as that would be up to the Legislature. The Board also noted \$18 million in donations was intended for interior renovation and would be part of the third year funding.

Kenneth Nye stated the Regional Centers budget requests were now finalized and the Logan Regional Center request would be for \$5,164,000 for the downtown option. On the Moab Regional Center, there were conflicting numbers presented at the hearing, and the final request was for \$1,450,000 to cover the purchase option on the existing building as well as buy adjacent acreage for future expansion.

The Board asked DFCM to initiate discussions with the County regarding the purchase price of the Oxbow Jail. After numerous discussions, DFCM understood the County is willing to consider a purchase price of \$11.5 million, which is \$3.5 million less than presented at the hearings, as well as \$3.5 less than the appraisal value. Jails are difficult to appraise due to the lack of a market for them and the appraiser relied more on cost as opposed to resale value. This made the total request decrease to \$15,703,000. The

County does need to fulfill their cash flow needs and a phased funding approach would be difficult.

Kenneth Nye stated the Bridgerland ATC was initially presented at \$4,001,000 which included the purchase price plus some minor remodeling to adapt to educational use. Bridgerland wished to pursue the purchase price only and committed not to pursue improvement funds for a five-year period.

DFCM was previously requested to further analyze the potential for financing options of the Regional Centers. The Ogden Regional Center was being looked at as a potential lease revenue bond. Mr. Nye graphed the amount of annual savings which resulted in an annual cost of \$19,386,000 for total payments under a 20-year period for a lease revenue bond approach and under the lease approach it would \$22,800,000. Over time there would be a savings of \$3.5 million from ownership as opposed to leasing. At the end of the 20 year period, they would own the facility.

The Logan Regional Center had two options presented at the hearings and there was financial information available on both options. The downtown option combined all of the agencies into one new building downtown adjacent to the new Courthouse. This is the option that the City and County leaders were advocating. A chart outlined a lease approach by renting the current facilities and the project as requested and the resultant deficit each year by the current rent budget versus what the cost would be for the new request. As this difference is caused by a request by the agencies for more space than is currently leased, a fourth line was included in this chart to indicate the cost of leasing a comparable amount of space. With this option, they are unable to finance on lease revenue bond without an increase in the agency budgets. However, once more space is needed for the agencies', higher rent costs will become an issue.

Most of the space increase is for Drivers License which wants to double the current space in order to provide for long term growth. Drivers License does have a revenue stream to pay for their operating budget and he did not believe this aspect would require competition in the general fund arena for funding. The Driver License increase, as well as portions charged to federal funds, would cover most of the gap between the current budgets and debt service and O&M costs. Mr. Nye stated the amount covered from the general fund would be less. The \$100,000 increase would have to occur in the budgets and approximately 1/3 to 1/2 is attributed to Drivers License. This option would be located downtown and would support the local planning efforts in consolidating all of the agencies in one location, including Workforce Services. With that option, they have excluded the cost of Workforce Services share of the building as it would be funded directly.

Another option discussed for Logan was to have Workforce Services proceed with their own stand alone building and then buy the building currently leased on the south end of

town. Mr. Nye referenced a chart reflecting the cost for financing the acquisition, and noted negotiations for the purchase price had not been finalized with the owner. A recent appraisal came in significantly below the asking price and the amount represented by DFCM is an averaging of the appraisal and the owner's asking price.

The estimated purchase price in this case is \$2,875,000 with an additional \$400,000 for remodeling due to the building being currently constructed as a private office layout and the need for some open space. Mr. Nye also noted the building was not large enough to occupy the same amount of space as the agencies have requested in Logan. Some agencies would not be able to move into the building and as agencies needs grew, they would not be able to accommodate all of them and a smaller agency may be excluded. By buying the existing building and completing the minor remodeling, there would still be a savings to the state if done on a lease revenue bond versus a rent basis.

Mr. Nye continued with the updated information on the Moab Regional Center purchase which still showed a substantial savings of financing on a lease revenue bond, especially considering the size of the project. If the Board did not exercise their purchase option, they would lose the option for the amount identified. The appraisal is significantly higher than the purchase option.

Mr. Nye stated the statute creating UCAT required the Board to make a finding that UCAT has met the statutory requirements in being able to present a request to the Building Board.

Both Uintah Basin ATC and Bridgerland ATC previously provided information to address this, but the Board did not make a formal motion at that time to make that finding.

Mr. Nye added that last year, the same two projects were considered by the Board. At that time, the Board made the finding that requirements had been met and nothing had changed since last year.

MOTION: Manuel Torres moved to accept UCAT meeting the requirements of the finding. The motion was seconded by Steve Bankhead and passed unanimously.

Kenneth Nye addressed the operations and maintenance funding and noted the O&M for Higher Education had a few projects not finalized and they have identified a tentative number which will be provided at the November 5 meeting. For those projects involving the creation of new space, funding estimates were provided at the hearings. For those projects involving renovations, the formula provides that DFCM identify the cost of replacing the building and calculate the O&M and then subtract the current funding level for O&M. DFCM has not confirmed the current funding level on a square footage basis for those institutions. Lynne Ward requested a column be added to the sheet indicating if O&M was required for the "other funds" projects for the November meeting.

Chair Jardine sought a motion on ranking the projects.

Steve Bankhead suggested that the Regional Centers be grouped since they resulted in a net savings to the State, and there was an existing revenue stream in place to address them. Keith Stepan stated last year's Legislation had some concern with those presented as groups. Kenneth Nye suggested giving them an individual priority. Lynne Ward stated that if these were funded on a general obligation bond, the GOPB may recommend the funding be transferred from the agencies to debt service. Financing of the projects was not the Board's decision however.

MOTION: Steven Bankhead moved to place the three Regional Centers as a group and give them a number two priority with the understanding that the funding will be taken care of in some kind of revenue bond or other method. The motion was seconded by Manuel Torres and passed unanimously.

Katherina Christensen suggested they could just prioritize it straight from the financials where Ogden would be first, Moab second and Logan third. Chair Jardine felt project grouping created difficulties last year and questioned if they would be creating the same difficulties this year.

MOTION: Steve Bankhead amended his motion to place the projects in order of financials for Ogden, Moab and Logan as the second, third and fourth priorities respectively. The amended motion was seconded by Manuel Torres and passed unanimously.

Kenneth Nye requested direction on which direction to pursue in Logan.

MOTION: Steve Bankhead amended his motion to include the new Regional Center would be built with the combined services in downtown Logan. The motion was seconded by Manuel Torres and passed unanimously.

MOTION: Kay Calvert moved to place the Weber State University's Reed K. Swensen building renovation as the number five priority. The motion was seconded by Manuel Torres and passed unanimously.

MOTION: Manuel Torres moved to place Salt Lake Community College Health Science building as priority six.

Steven Bankhead stated he wished to have further discussion on larger projects before continuing with the rankings.

Manuel Torres withdrew his motion.

MOTION: Kay Calvert moved to approve the National Guard Salt Lake/Davis Readiness Center as priority six. The motion was seconded by Steve Bankhead and passed unanimously.

Steve Bankhead suggested discussing the remaining Higher Education buildings and UCAT facilities. Chair Jardine sought questions from the Board.

Cyndi Gilbert expressed concern with the Board following the Regents suggestions and wished to have some interaction as to what may have not been presented. Kay Calvert stated they had already ranked the WSU Reed Swensen Building and that is the Regents number one priority.

Katherina Holzhauser expressed interest in the Board of Regents ranking, and taking into account the donations and funding equities. She felt this would be easier for the larger institutions and wished to examine the balance with smaller institutions in remote locations. Kay Calvert felt life safety issues needed to be taken into consideration as well.

Steve Bankhead stated he had spoken with UVSC representatives recently and felt UVSC's Digital Learning Center could do more with community involvement and raising donations. With the change in leadership, UVSC was aggressively pursuing the project, but could gain from returning with significant community funding. Although he felt it was a worthy project, he wished to rate it low and felt they would benefit more next year.

Mr. Bankhead also addressed the critical need for nursing training at both SLCC and Dixie State. He wished to consider at least one of those very high, but with current crowding and general need, he wished to move the SLCC Health Sciences Building at the top of the Higher Education buildings. Kenneth Nye responded that the request had increased on that project since the prior year from \$19 million to \$26 million. This increase was due to the programming effort identifying greater program needs to include a clinic and a larger building. He noted that both the SLCC and Dixie requests included a clinic and expensive laboratory equipment.

Kay Calvert recommended placing the Dixie State College Health Sciences Building higher on the priority list than the Salt Lake Community College Health Sciences Building due to the cost savings associated with coordinating the building.

MOTION: Cyndi Gilbert moved to put Dixie State College Health Sciences Building as priority seven and SLCC Health Sciences Building as priority eight.

Steve Bankhead wished to have some general discussions on some of the projects that don't have constituencies. Chair Jardine also wished to discuss UCAT.

Manuel Torres suggested prioritizing Dixie State College Health Sciences Building, Salt Lake Community College Health Sciences Building (due to nursing shortages), UCAT Uintah Basin ATC and CEU San Juan Library and Health Sciences (due to their need). He was not against any other projects, but some projects already had facilities while others did not. He stated he was disappointed in UCAT for giving the Board two projects with Uintah Basin ATC and Bridgerland ATC. He felt if Bridgerland was such a good deal, they should have rated it number one from their Board. He felt he could only support the Uintah Basin ATC rather than Bridgerland.

Richard Maughn stated Bridgerland ATC was currently renting the building and may continue until July 2004. They secured the building to deter possible purchasers and pose a savings to taxpayers with the current rent of \$.10/sf. If the building is not purchased, they must vacate once the lease is up, or they could rent it month by month until it is purchased. He did not wish to put the Board in an unfair position.

Kay Calvert asked if BATC had approached individuals in the community to see if they could help raise funds to purchase the building. Dr. Maughan confirmed they had, however, but did not have a large alumnus in which to solicit donations.

Kay Calvert asked if consideration was given to the Uintah Basin ATC building a smaller facility and expanding in the future. Richard Jones, UBATC, commented they had looked at the community needs for a combined facility of UCAT and USU. By keeping the building as planned, this would cover the needs in this area for possibly 20 years. Some cost savings could be initiated, but they had already cut the building back several times in scope, which is currently projected to be 61,000sf. They will also be expanding to incorporate a future Health Services program and assist USU's needs.

Chair Jardine asked about enrollments of SLCC Health Sciences Building and the Dixie State College Health Sciences Building. Rand Johnson, SLCC, stated their College was very supportive of both health sciences projects and recognized the health services needs throughout the state. SLCC has a tremendous partnership currently in place with IHC and IASIS who have covered the full cost of five nursing instructors, tuition costs and uniforms and the nursing program has grown dramatically because of these partnerships. The need is evident and SLCC recognizes there is a statewide need for people with these kinds of professional skills.

Chair Jardine wished to address the programming for the Public Safety Education/Training Center at SLCC. Keith Stepan stated there had been some very good presentations and state leadership had interest because of Homeland Security and partner shipping efforts.

MOTION: Manuel Torres moved to place the Public Safety Education/Training Center at SLCC as the number seven priority. The motion was seconded by Kay Calvert and passed unanimously.

MOTION: Manuel Torres moved to rank Dixie State College Health Sciences Building as the number eight priority. The motion was seconded by Cyndi Gilbert.

Kay Calvert wished to discuss other facilities before voting. She asked about the Southern Utah University Teacher Education Building. She felt that was a similar situation in terms of state need in order to educate teachers to address the fast expanding population and the ability to employ teachers.

Steve Bankhead felt another project that was comparable was the Public Education School for the Deaf and Blind Salt Lake Facility. He felt it was a constituency that needed their attention. Ms. Calvert expressed concern with the building being a majority of storage on a square footage basis. Steve Bankhead stated the building would be primarily used for Deaf and Blind people in public schools and not as classrooms, and they need the space to support the deaf and blind who are not at the school. Kenneth Nye understood their request was primarily for administrative and storage and library type functions dealing with curriculum type materials. In the original request, there were a small number of classrooms for a pre-school program and other public functions. Dr. Lee Robinson had recently stated there is a charter school currently serving the needs of a number of the public school age children who are deaf. The charter school must relocate and one option could be to absorb the charter school into this request. However, that would require a reshaping of their request in order to accommodate the reduced space dedicated to some of the other functions and then an increase in the educational space. Steven Bankhead suggested they wait a year for further review.

Steve Bankhead suggested placing the UVSC Digital Learning Center and the Public Education Deaf and Blind Salt Lake Facility to ensure they would receive further consideration next year.

Chair Jardine still felt like they needed to address the Marriott Library at the University of Utah and determine if their recommendation would include the phased funding. Keith Stepan stated the Board's stewardship is to do the ranking and the Legislature's stewardship is to do the funding aspects.

Steven Bankhead stated the seismic problems "cropping up" posed some concern for him as they could not have been unknown. He was mindful of the seismic issues, but did not feel it was a greater problem now than it was two years ago, nor will it be a greater problem a year from now. He was also concerned that they University did not feel like they could

start over. He proposed building an automated storage and retrieval building now as a stand alone unit and relocating the records as one phase and then demolish the library and begin reconstruction.

John Huish stated the discoveries of the seismic issues were made recently. The renovation/expansion project in 1994 came with the funding requirement to not address the existing building and only a few fire and life safety issues were addressed to accommodate the new building. Due to the recent feasibility study for the renovation of the existing building was it discovered that the building was constructed as a lift slab building which was the method of construction used in the 1960's. Upon that discovery, the floor slabs were very minimally attached to the columns without actual lateral bracing in the building. A seismic occurrence could cause all of the floors to pancake and there would be a tremendous loss of life. It is a situation that always existed, but they did not have the ability to make the discovery. The aspect of tearing the building down and reconstructing it was looked at in the feasibility studies and it was determined to be extremely unfeasible due to the amount of volume involved. The addition completed in the 1990's was seismically correct.

MOTION: Kay Calvert moved to rank the UCAT Uintah Basin ATC as the number eight priority. The motion was seconded by Manuel Torres.

Steve Bankhead stated the Bridgerland project was a huge window of opportunity. Kay Calvert suggested ranking them in order of importance with hopes the Legislature would acknowledge the deal. Steve Bankhead posed amending his motion to include the Bridgerland ATC as priority nine.

Manuel Torres withdrew his second to the motion.

MOTION: Kay Calvert moved to make the UCAT Uintah Basin ATC as priority eight and UCAT Bridgerland ATC as priority nine. The motion was seconded by Steve Bankhead.

Manuel Torres struggled with the way the UCAT proposal was handled and could not support the Bridgerland ATC in the proposed order.

The motion passed with three in favor and two opposed.

Manuel Torres struggled with the Natural Resources New Campgrounds in Four Rural Parks and the lack of available funding. He questioned if this was an appropriate time to be building campgrounds.

Kay Calvert struggled with the Natural Resources Special Forces Facility Replacement as

their presentation was very effective. She was concerned with the traffic and how the individuals were changing. Steve Bankhead agreed, but he felt they had expanded beyond their resources did not wish to reward them with a new facility. Kenneth Nye understood it was a combination of the nursery program growing and placing more firefighters at this location. Due to the inmate participation, it could not be relocated.

Chris Mitchell, Department of Corrections, stated Natural Resources would be building a building for SWAT and relocating on the premises. They would use the current SWAT building for their operation. This would allow Corrections a new building and Natural Resources expansion room. She did note that the inmate firefighting crew would be discontinued this year. Ms. Mitchell stated Corrections could continue operating out of the current facility, but a new building would better meet their needs.

Chair Jardine asked for input on the Tooele Courthouse. Gordon Bissegger, Courts, confirmed they were asked to vacate the building Tooele. Tooele County is willing to donate the property next to the existing county jail to build the Court. The property is essentially free and they do have a very serious risk management position when moving those in custody through the public hallways. By taking advantage of the County's offer to provide free land, they could build the facility to be more secure without endangering public or staff.

MOTION: Manuel Torres moved to place the Dixie State College Health Sciences Building to the number ten priority, and the Salt Lake Community College as the number 11 priority.

Steve Bankhead had trouble differentiating between the two projects and endorsed Mr. Torres' motion.

The motion was seconded by Cyndi Gilbert and passed unanimously.

MOTION: Manuel Torres moved to place the University Marriott Library Renovation and ASRS as priority number 12. The motion was seconded by Kay Calvert.

Cyndi Gilbert expressed concern with the needs of CEU, SUU, and Tooele Courthouse, since they did not have a huge constituency. She felt by placing a \$45 million project ahead of them, they were placing more importance on books than students. Since the Board did not have the right to phase the project at whatever level, they are basically foreclosing any possibility of anything below it. Katherina Holzhauser stated the University of Utah occupied up to 7000 students a day so it is a student facility as well. Manuel Torres stated he would feel better if they knew the phased funding was going to happen as it would make it somewhat easier to prioritize. Kay Calvert stated the life safety issue makes

it a priority and for that reason she would vote ahead of some of the other areas that are in desperate need simply because of the life safety issues. The enormity of the disaster would be unprecedented.

Chair Jardine sought approval of the motion.

The motion passed with three in favor and two opposed.

Katherina Holzhauser wished to address the Utah State University Animal Science Building Renovation. She felt this should be included in the discussion with SLCC and Dixie State. Manuel Torres felt that USU was granted 45 million last year for a library and he felt it was time to look at others. He was sure that building is not their number one priority but because of funding issues, this may have been funded. For that reason, he thought it would need to be moved down. Especially since CEU and SUU had major needs.

MOTION: Cyndi Gilbert moved to place the Southern Utah University Teacher Education Building as priority 13 and the CEU San Juan Library and Health Sciences be priority 14.

Kay Calvert stated she was in support of priority 13, but not 14. She was more supportive of putting the Tooele Courthouse higher on the list; however she did not feel the CEU project was unimportant.

MOTION: Cyndi Gilbert amended her motion to place the Southern Utah University Teacher Education Building as priority 13. The motion was seconded by Kay Calvert and passed unanimously.

MOTION: Kay Calvert moved to place the Tooele Courthouse as priority 14.

Steve Bankhead asked if the project required extreme importance be looked at this year since where it is ranked now it may not get consideration. Kay Calvert stated once the rankings were submitted, it was absolutely unknown. Manuel Torres stated he would still rank CEU over Tooele Courthouse even though both of them were in need. Katherina Holzhauser stated she was concerned about the safety of the public when transporting prisoners.

MOTION: Kay Calvert amended her motion to place the Tooele Courthouse as priority 14 and the College of Eastern Utah San Juan Library and Health Sciences Building as priority 15. The motion was seconded by Manuel Torres and passed unanimously.

Katherina Holzhauser raised concerns with where to place the Department of Human

Services Developmental Center Residential. Bart Hopkin, Department of Human Services, recalled the master plan was nearing completion for the Developmental Center and part of the master plan in the first phase, they have redone one of the structures and in order to stay in line on a yearly basis with the master planning effort this has come up as their top ranked project for the Department. They are trying to create a residential atmosphere which is a nationally recognized trend for a certain segment of the population. It does not expand the population, but the intent is to programmatically shift to a more residential feel. If they had to wait a year, they would shift and try to accommodate what they can in the meantime and return to the Board next year.

MOTION: Manuel Torres moved to leave Human Services, Corrections, Public Education and Natural Resources as priorities 19 through 24.

Steve Bankhead stated that in terms of this year, it did not matter the exact ranking, but he desired some understanding among the Board. He did not want to imply to anyone that they are that far down the list, that they would be that far down the list next year. The Board agreed, but did not feel they were committing that as they were looking at each individual project based on needs each year.

Keith Stepan stated from a DFCM point of view, it is very important to remember they do a five-year program and a portion was from the rankings. The Board needed to state this was simply a one year wait.

Kay Calvert wished to hold discussions on the Department of Corrections Purchase and Adaptation of Oxbow Jail. Chris Mitchell, Corrections, stated the advantages are the jail is sitting empty and it is an ideal location to move female offenders to have dedicated space. This is a good jail at a good price and the inmate population is growing to where they are going to have to add housing within the next year. This may not be an opportunity in the future, although there is not a large market.

MOTION: Cyndi Gilbert moved approval for the Snow College Library/Classroom building and priority number 16. The motion was seconded by Steve Bankhead and the motion passed with four in favor and one opposed.

Steve Bankhead stated they had not heard about the Cedar Court Land Purchase and he recalled it was another window of opportunity.

MOTION: Cyndi Gilbert moved to place the Cedar Court Land Purchase as priority number 17.

Keith Stepan reminded the Board that this is an existing facility with adjacent residential property and there were six packages and the doctor that owns them is willing to sell. This will be used for parking and future land expansion.

The motion was seconded by Kay Calvert.

Steve Bankhead asked where they stood on the Developmental Center Residential as the motion was not approved.

MOTION: Manuel Torres withdrew his previous motion to leave Human Services, Corrections, Public Education and Natural Resources as priorities 19 through 24.

MOTION: Manuel Torres moved to place Human Services Developmental Residential to priority eighteen.

The motion to approve the Cedar Court Land Purchase as priority number 17 passed unanimously.

MOTION: Steve Bankhead moved to place the Human Services Developmental Center Residential as priority 18 and the Public Education Deaf and Blind Salt Lake Facility as priority 19. The motion was seconded by Manuel Torres and passed unanimously.

MOTION: Kay Calvert moved to place the Natural Resources Special Forces Facility Replacement to priority number 20. The motion was seconded by Cyndi Gilbert and passed with four in favor and one opposed.

MOTION: Steve Bankhead moved to place the Utah State University Animal Science Building Renovation to priority number 21. The motion was seconded by Kay Calvert and passed unanimously.

MOTION: Steve Bankhead moved to place the UVSC Digital Learning Center, Corrections Purchase and Adaptation of Oxbow Jail, and the Natural Resources New Campgrounds in Four Rural Parks be placed as priorities 22 through 24 respectively. The motion was seconded by Kay Calvert and passed unanimously.

Kenneth Nye stated this would be placed on the Building Board website at the end of the day.

The Board recessed for ten minutes at 11:22am.

It was requested that a notation be made on the sheet that these recommendations and approvals were for this year only and not reflective of the five year plan.

“OTHER FUNDS” CAPITAL DEVELOPMENT PROJECTS

Utah State University presented the West Housing/Parking Complex for \$35,500,000, which would include a 502 bed residence hall. The project would include a demolition of a steam plant and includes \$25 million to be spent for the residence hall and Taggart Student Center upgrade. This would be financed through a revenue bond.

The Utah State University Child Care Facility would be used to accommodate full time care and would be located across from the stadium parking lot. The total cost for the 12000sf facility would be \$2 million with \$1.7 million being from federal funds and \$300,000 from private donations.

The Utah State University Stadium Team Building would be to replace the existing building with a larger 50,000sf building. USU is currently considering expansion of the request to include other athletic and student recreation facilities. They will be looking at two bonds in two years as well as donations and student fee dollars. The Board determined to postpone voting on this item until more definition is provided per discussions with the Trustees and Regents.

John Huish, University of Utah, presented the Department of Chemistry Gauss Haus, which is a substantial expansion for a previously approved 24,000sf building costing approximately \$7.6 million. They are currently doing a master plan for the facility in hope of securing a master fund grant. The funding will be from federal and University funds.

The College of Health Academic Facility would be a new 60,000sf facility costing \$15 million. Currently the community programs are housed throughout the campus and this would allow for a more centralized location near the HPER facility. The project would be funded from donations and University funds.

For the University of Utah College of Mines and Earth Sciences Geology and Geophysics Building, John Huish stated the notion behind the building would be to create a new building adjacent to the Browning building which would house the Geology and Geophysics department and then leave the existing Browning building to begin to consolidate other departments scattered across campus. This would be a 90,000sf building plus 120 parking stalls underneath. This would be constructed from donations and research overhead.

John Huish continued with the West Parking Terrace Replacement. It presently houses 600 cars and was built in the 1980's. The concrete structure has suffered extreme deterioration over the years. The process of having to de-ice the parking structure over the course of the winter, plus the influx of salt on cars that park in the structure, have collected a tremendous amount of oxides and deterioration. A recent study was completed by Walker Parking Associates and it is their recommendation that the structure be demolished and reconstructed. This would provide the possibility of up to 1200 cars. At this point, the funding would have to come from revenue bonds which would be serviced by parking revenues and any other University funds that would be available. Because of the new master planning studies currently occurring, they may choose another site for this structure once this one is demolished. The parking terrace is currently used primarily by staff and faculty at the School of Medicine and University Hospital.

Kevin Walthers stated approximately five years ago they received permission to build another parking structure on the lower campus that never got built. He was concerned with having enough bond capacity in order to do this. John Huish stated they may be able to combine revenues from that parking terrace.

Mike Bouwhuis, Davis ATC Campus President, stated that an ATC has never received enough private funding to build a building in the history of the ATC system. There are currently a group of donors that are willing to build a building on the campus. On their master plan approved by the Board was the Entrepreneurial Center whose purpose was to incubate businesses in the community. In Davis County, 45% of the residents leave the county to work. In addition, 62% of the businesses in Davis County are small business. There are also a number of adult students that have lost their jobs that are returning to the ATC for retraining due to recent layoffs. The ATC felt like they needed to have a place in which the faculty members and students can work with small businesses to incubate the business.

The Entrepreneurial Building is designated in a position on the campus so that it represents the outside world on campus. They would work very closely to use the customized training funds to help that business and work with small business administration to help those businesses. The concept will be that the business will pay a small rental fee to utilize the facility and when they move on they would sign an agreement that they would pay part of their profits back to the institution. They are not seeking any O&M funds on this project and feel that it needs to be a self supporting project. They have a donor who has given them interest in an apartment complex at approximately \$40-55,000 a year to cover the O&M. This has been in the plans through the Foundation Board for five years and they have been assured this project will be funded in November in the vicinity of \$1.0 million and \$1.3 million, with the total project cost being \$1.8 million, and Foundation Board members have agreed to raise the additional money. The soft costs are approximately \$585,000 bringing the total project to \$1,835,000.

Sterling Davis and Bill Juszczak, UDOT, presented the Board with the Vernal Maintenance Station replacement and the Heber Maintenance Station replacement. The Vernal Maintenance Station would cost \$2,200,000 and would be a new 20,086sf 12 bay building funded out of transportation funds. The Heber Maintenance Station would be a \$1,900,000sf, 10 bay facility and would be built out of transportation funds. They felt they could afford to build one building out of the transportation funds and there is a remote chance they would be able to build the second one. The Vernal Maintenance Station replacement would be their number one priority and the Heber Maintenance Station replacement would be their number two priority. Both of the maintenance stations were built in 1959 and were built in a time when trucks were a lot smaller and the current stations are so short that they cannot get their big trucks in them. They have property acquired north of Vernal approximately 4 miles along Highway 191, which is the highway to Flaming Gorge. They would put a 12 bay station there. They plan to get those facilities built this coming year and hope to fund Vernal first and Heber second. In Vernal, they are on property owned by the County and would like to vacate the space before being asked to vacate. The location in Heber has a lot of interest from the commercial businesses wanting the property that are willing to pay a reasonable amount of money.

Keith Stepan stated there was a concern expressed earlier about Daniel's Summit and being able to maintain service there. Sterling Davis stated the operation would not change.

For the location in Heber, they have some property, but they are not sure it is the best location. If they don't use it for a building site, they will use it to store stockpiled materials. They do have some property they have purchased going toward Jordanelle Dam, but that does take them further away from the Daniel's Summit run.

Dennis Kellen, Director of Operations for the Alcoholic Beverage Control, stated the ABC has experienced a 6% growth in their sales. This year, for the first three months of the fiscal year, they are experiencing a 4.89% in dollar sales increase or a 2.58% increase in case sales over the previous year.

Thirty years ago the state had 32 liquor stores for the entire state of Utah to service all of the consumer needs. Today there are 36 stores. They had tended not to build more stores for the population and have instead rebuilt the existing stores at new locations or at the existing location and built them bigger.

The North Ogden Liquor Store Replacement was currently owned by the ABC and it is a small building of 3681sf. They will be selling that location and building a new building to meet the demands of the public in that area. Other replacements included the Mount Olympus Liquor Store Replacement and the Ogden Liquor Store.

The Park City Liquor Store would be a brand new store and would be placed in an area where public demands could be met for liquor sales and parking. They will keep the current store and use it as a licensee warehousing facility. The new location has not been designated and it will be a cooperative effort with the Park City Corporation to locate that liquor store. Mr. Kellen stated they would be willing to buy a building already built.

The Provo Liquor Store would be an expansion.

The dollar amounts included for the replacement facilities were not net of any proceeds from selling the buildings as they were unaware of what those profits would be depending on the market.

Kevin Walthers asked if it would be possible to build the North Ogden and Ogden Liquor Stores as a combined, larger building. Mr. Kellen responded that Ogden presently has three stores in the greater metropolitan Ogden area. Being a monopoly, they could be flexible. The ABC does have prototype buildings and are continually making them more efficient.

Kenneth Nye stated the Board adopted a definition for what they would be considered to be "other funds" projects this year. He asked how these projects would fit into the description through the proposed debt service being covered by money currently spent on rent or debt service for existing buildings that would go away or through additional revenues being adequate to cover the cost of the facility.

Dennis Kellen stated it was difficult to say if they built larger stores they could sell more merchandise, but they probably will since they may be able to sell more expensive merchandise. They are seeing the increase in case sales and dollar sales and they are seeing the increase in profits. They will use that money to pay off the revenue bond.

Kenneth Nye stated ABC's request are differ from others since ABC operates as a business and this is their way of financing their capital needs within the business as opposed to others that have other types of functions. He thought there should be a business plan supporting the reasons for the new stores completed prior to the Legislature. Kevin Walthers will further discuss this issue with Mr. Kellen.

Dennis Kellen stated the new automated storage and retrieval system was 106 foot tall building, holding 6157 pallets of merchandise and is already over half full. He extended the invitation for a tour of the building to the Board. The Board will meet there or tour the facility in the future.

Kenneth Nye reminded the Board that they had already heard the proposals for the Department of Workforce Services Logan Employment Center and the National Guard

Total Army School System (TASS) Barracks. He also stated that if the Logan Regional Center went forward as approved, the Department of Workforce Services Logan Employment Center would be deleted.

MOTION: Steve Bankhead moved to conditionally approve the Department of Workforce Services Logan Employment Center if the Legislature failed to fund the Logan Regional Center. The motion was seconded by Kay Calvert and passed unanimously.

MOTION: Kay Calvert moved to approve all of the "other funds" projects with the exception of the USU Stadium Team building, which will be reviewed at a later date. The motion was seconded by Cyndi Gilbert and passed unanimously.

☐ OTHER.....

Larry Jardine will serve on the selection committee for the Utah State University Engineering Lab Building Renovation on December 5.

Manuel Torres will serve on the selection committee for the Utah Valley State College Baseball Field and Stadium.

☐ ADJOURNMENT.....

MOTION: Cyndi Gilbert moved to adjourn at 12:45pm. The motion was seconded by Manuel Torres and passed unanimously.

Minutes prepared by: Shannon Lofgreen