

Utah State Building Board



MEETING

December 6, 2011

MINUTES

Utah State Building Board Members in Attendance:

N. George Daines, Chair
Jeff Nielson
David Fitzsimmons
Ned Carnahan
Gordon Snow
Chip Nelson

DFCM and Guests in Attendance:

Gregg Buxton	Division of Facilities Construction & Management
Cee Cee Niederhauser	Division of Facilities Construction & Management
Kurt Baxter	Division of Facilities Construction & Management
Kim Hood	Department of Administrative Services
Nicole Sherwood	Governor's Office of Planning and Budget
Rich Amon	Legislative Fiscal Analyst Office
Alan Bachman	Attorney General's Office
Hiram Chodosh	University of Utah
Mike Perez	University of Utah
Jason Perry	University of Utah
Ken Nye	University of Utah
Arnold Combe	University of Utah
Gordon Wilson	University of Utah
Cory Higgins	University of Utah
Natalie Tippetts	University of Utah
Lynn Powell	University of Utah
Malin Francis	Salt Lake Community College
Eric Migacz	EDA Architects
Keri Hammond	EDA Architects
Burke Cartwright	EDA Architects
Danielle Scott	Dunn Associates, Inc.
Ellen Parrish	VCBO Architecture
Gregg Stauffer	Commission of Higher Education
W. Ralph Hardy	Commission of Higher Education
Jerry Jensen	Department of Corrections

Charles Darnell	Utah State University
Ben Berrett	Utah State University
Dave Cowley	Utah State University
Dana Miller	SWATC
Dave Tanner	Southern Utah University
Wayne Bingham	Citizen
Peggy Stowe	Citizen

On Tuesday, December 6, 2011, the Utah State Building Board held a regularly scheduled meeting in Room 250 of the Utah State Capitol Building, Salt Lake City, Utah. Chair George Daines called the meeting to order at 9:03 am.

APPROVAL OF MINUTES OF OCTOBER 26, 2011

Chair Daines sought a motion for approval of the minutes. David Fitzsimmons asked that a correction be made to the minutes. He would like the minutes to show that he voted “yes” to the motion to accept the Capital Development Rankings as currently listed. Ned Carnahan indicated that he had voted “no” to the motion. CeeCee Niederhauser agreed to make the noted changes to the record.

MOTION: Jeff Nielson moved to approve the meeting minutes of October 26, 2011 as corrected. The motion was seconded by David Fitzsimmons and passed unanimously.

UNIVERSITY OF UTAH NON-STATE FUNDED PROJECTS

S. J. Quinney College of Law Building:

Mike Perez from the University of Utah introduced the project as a 155,000 sq. ft. structure with a total project cost around \$60,500,000. It will be situated south of the current law school complex. The University anticipates that Carlson Hall will be removed to make way for this new project. They are requesting state O & M in the amount of approximately \$1 Million and could reduce that to a little under \$900,000 by the removal of Carlson Hall. Dean Chodosh from the University College of Law gave a brief overview of the importance of the project. He felt that the University had reached the limit of what they can accomplish at the law school with their existing facilities and would possibly have a major accreditation problem in the future if not corrected. Mike Perez reminded the Board that this project had been approved by the University’s Board of Trustees and the Board of Regents.

MOTION: Jeff Nielson moved to approve the S. J. Quinney College of Law Building for the University of Utah. The motion was seconded by Ned Carnahan and passed unanimously.

University of Utah School of Dentistry:

Mike Perez introduced Dr. Vivian Lee, Senior Vice-President of Health Sciences and Dean of the University of Utah’s School of Medicine. Dr. Lynn Powell was also present to address any questions. The “Other Funds Capital Development Project Request” was distributed to members of the Board (See Attachment #1). Mr. Perez explained that this project was reviewed by the Board

back in 2009 and therefore he wanted to review details of the original presentation. This project is valued at \$37.4 Million and represents a structure of approximately 70,200 sq. ft. with parking underneath the building. The University is not requesting any State O & M for this facility and funding for programming is not being requested at the present time. Dr. Lee explained that the University had received a very generous gift which enabled them to expand their regional education dental program to a Dental School which will be housed in the School of Dentistry Building at no cost to the state. The donors, who wish to remain anonymous, are allowing the University to pay for O & M out of their gift. This will allow dental students to remain in state for all four years of their training and pay in-state tuition. The Dental School will bring valuable resources and economic growth to the state as well as address some clinical services.

MOTION: Ned Carnahan moved to approve the request for the University of Utah School of Dentistry Building. The motion was seconded by Chip Nelson and passed unanimously.

Central Campus Parking Structure and Health Sciences Parking Structure:

Dr. Gordon Wilson, Assistant Vice-President of Auxiliary Services at the University of Utah explained that their campus master plan called for the eventual building of six parking structures. At this time they are requesting approval for construction of two of the structures, located on the Main and Health Science Campuses. Funding for the bond, which will pay for the two parking structures, will come from parking permit revenues, visitor parking revenues, ticket revenues, etc; and will be fully contained within the University system. A "Pro-Forma Summary for Funding" (See Attachment #2) was distributed which showed a deficit for the first three years that would be covered by diverting funds from parking lot repair and maintenance budget. Gordon Snow had some concerns about an increase in student fees to pay for the parking structure; however Mr. Wilson assured him that no student fees would be used for this project. Arnold Combe explained that funding will come from a twenty year revenue bond from the University's bond system. The annual maintenance cost to maintain a stall per year is approximately \$68 per stall which includes cleaning of garages, striping, inspections of salt and water damage, power, and lighting. This structure should have a forty year life. Chair Daines indicated that since the University had developed expertise in parking structures, through their study of this project, they should supply the Board with supplementary information in the future which compares the cost of a parking terrace vs. a parking lot.

MOTION: David Fitzsimmons moved to approve the request for the University of Utah Central Campus Parking Structure and Health Sciences Parking Structure as in the Master Plan. The motion was seconded by Gordon Snow and passed unanimously.

Mike Perez reported that the International Building, which was presented to the Board last month, has been withdrawn. He responded to last month's questions concerning the cost of the building by explaining that the small size of the building, site costs associated with utilities, and impact fees to access the high temp and high voltage system at the University had contributed to the high cost per square foot.

☐ CERTIFICATE OF APPRECIATION – NEAL STOWE

Assistant Attorney General, Alan Bachman informed the Board that former DFCM Director, Neal Stowe recently passed away. He turned the time over to Wayne Bingham to highlight some of Mr.

Stowe's accomplishments and service to the State. Peggy Stowe was there to receive the Certificate of Appreciation and expressed her gratitude for her husband, his legacy of service, and his contributions to State government. Director Buxton added that Neal Stowe continued to serve the State after his retirement and was a kind and gracious individual who was dedicated to the service of his fellow man.

❑ UTAH STATE UNIVERSITY ATHLETIC STRENGTH AND CONDITIONING CENTER

David Cowley introduced Charles Darnell, the new Associate Vice-President for Facilities at Utah State replacing Darrell Hart. Mr. Cowley reported that Utah State has a firm commitment for 80% of the cost of this project and have already received approval from their Board of Trustees and the Board of Regents. The Athletic Strength and Conditioning Center will be built near the northwest corner of the Romney Stadium. It will provide state of the art strength training and aerobic equipment to over four hundred student athletes. Utah State currently has a weight center located in the Student Health Center but it is very small and inadequate to meet the needs of student athletes. A copy of "Other Funded Capital Development Project Request" was distributed to the Board members (See Attachment #3). This facility will triple the space for athletic training and includes a track, ticket office and apparel store. Utah State has secured a gift of \$5 Million for this building; however this is a \$6.2 Million project; so Utah State is moving forward with fundraising for the remaining balance, which they do not anticipate will be a problem. O & M will be paid by the University's Athletic Unit. This structure will be approximately 20,000 sq. ft. After doing the math, the Board may think this is a very expensive building; however the cost includes over \$1 Million of athletic equipment.

MOTION: Chip Nelson moved to approve the Utah State University Athletic Strength and Conditioning Center. The motion was seconded by Jeff Nielson and passed unanimously.

❑ SWATC REQUEST TO PROGRAM THE ALLIED HEALTH AND TECHNOLOGY BUILDING

South West Applied Technology College President Dana Miller requested permission from the Board to complete the programming portion of their Allied Health and Technology Building. This will allow their instructors, program directors, employee advisory committee, school district partners, and city and county officials to define the elements that need to be incorporated into this building. The programming process and result will help generate support for SWATC and their mission in the community as well as provide a building for technical education. SWATC is requesting DFCM funds to complete the programming with the understanding that when their building is complete, the college will repay DFCM for the programming cost. Private fundraising has begun for this project. Currently SWATC is projecting the building will be around 60,000 sq. ft. Approximately forty percent of the building will be dedicated to health science, information technology and business technology. Another forty percent will be for labs, shops for renewable energy, and manufacturing programs. The remaining twenty percent will be for a career center, student services, IT services, bookstore, and administrative services. Because of tight funding, members of the Board suggested SWATC might want to scale back the project. The college is requesting approximately \$100,000 for programming.

MOTION: Ned Carnahan moved to approve SWATC's Request to Program the Allied Health and Technology Building and the allocation of DFCM funds for this purpose. The motion was seconded by David Fitzsimmons and passed unanimously.

☐ UNIVERSITY OF UTAH ADMINISTRATIVE REPORT

Ken Nye reported that under Professional Services, the University had five design agreements and six other types of agreements with no significant issues. On page two, under Construction Contracts there were four remodeling and five site improvement contracts with no significant issues. Page three is the Project Reserve Fund which has a balance of \$18,000 and experienced no activity during this reporting period. Page four is the Contingency Reserve Fund with two decreases – the Health Sciences Library Fire Alarm and Sprinkler System (transfer of \$4,201), and the Secondary Water System for Landscape Irrigation (transfer of \$24,211). Page five is the Contingency Reserve Fund Quarterly Summary. Page six is the Summary of Improvements which list all Capital Improvement Projects and progress on project closeouts. Page seven is the Summary of State-wide Accounts which includes the status of paving and removal of hazardous materials. Page eight begins the Construction Contract Status Report which shows the status of each construction contract opened during the preceding quarter, as well as approximately twenty contracts that were closed out this quarter. The "Contingency Analysis", which was not included in the packet but distributed to Board members (See Attachment #4), includes a list of all state-funded projects that are eligible for Contingency Funds. This report also shows a projected excess balance of \$558,000; however the University does not believe they have an excess balance due to the nature of the projects under construction which will have higher draws on Contingency.

MOTION: Jeff Nielson moved to accept the University of Utah Administrative Report. The motion was seconded by Chip Nelson and passed unanimously.

☐ UTAH STATE UNIVERSITY ADMINISTRATIVE REPORT

Ben Berrett from Utah State University delivered the quarterly report. They had eight professional contracts and two construction contracts issued this month. The Contingency Reserve Fund balance is at \$628,788. The Project Reserve Fund had three increases with an ending balance at \$184,785. Director Gregg Buxton asked Mr. Berrett to explain what was happening on campus in regard to capital improvements. Mr. Barrett explained their capital improvement funding has been down over fifty percent for the past four years. They continue to have priority for utility and infrastructure issues which captures a high percentage of their funding. The University has late 1950-1960's Buildings which are having complex mechanical problems with air conditioning and need HVAC upgrades. Director Buxton encouraged both Universities to try to convey this information to the Legislature so that more funding can be acquired. Mr. Barrett continued with the report indicating that the remainder of the report was a Quarterly Report of all projects. The University's goal is to have all projects 100 percent obligated by March with construction beginning immediately after Commencement.

There was considerable discussion among Board members concerning the lack of funding for

Capital Improvements.

MOTION: Ned Carnahan moved to accept Utah State University's Administrative Report. The motion was seconded by Jeff Nielson and passed unanimously.

☐ ADMINISTRATIVE REPORT FOR DFCM

Kurt Baxter, Program Director for DFCM said they had Five Lease Reports, thirty-seven architect/engineering agreements, and thirty-four construction contracts awarded. The Contingency Reserve Fund shows a balance of \$11.5 Million with projected contingency needs at \$9.9 Million. That is an unallocated portion of about fifteen percent. Director Gregg Buxton said this excess of fifteen percent could be used up quickly with errors and omissions. Mr. Baxter continued with his report, indicating that the Project Reserve Fund was at approximately \$5 million. The Reserve Fund takes into account where building prices are going, which they know are increasing. Therefore, \$5 million is adequate and by no means excessive. The Statewide Emergency Fund, on pages 22-30, indicates a balance of \$900,000. The programming funds for SWATC will come from this fund.

MOTION: Chip Nelson moved to accept the DFCM Monthly Report. The motion was seconded by Gordon Snow and passed unanimously.

☐ SCHEDULE FOR 2012 BUILDING BOARD MEETINGS

Chair Daines asked if there were any comments concerning the 2012 meeting schedule as proposed. There was no response.

Chair Daines asked Dave Tanner from Southern Utah University to give a report concerning the problem with the Juniper Hall. Mr. Tanner reported that fifty year old Juniper Hall (representing 227 beds) had continual problems with heating and cooling. When originally constructed, the heating and cooling lines were embedded into the concrete floors of the structure. Near the end of October, they had a major failure which resulted in the loss of approximately 1,000 gallons per hour of heating water. The decision was made to relocate all the residents of Juniper Hall and close the building. Students were incorporated into various housing options in Cedar City. They were all moved in one Saturday with help from the community and staff. Estimates indicate it would cost millions of dollars to refurbish the building and the University feels this would not be cost effective considering the age of the structure. The building is currently not usable and needs to be demolished. They are trying to identify funds to move forward with a new building.

☐ ADJOURNMENT

MOTION: David Fitzsimmons move to adjourn the meeting. The motion passed unanimously.

The meeting ended at 11:34 am.

FY2011 (updated 12/06/11)
Other Funded Capital Development Project Request

Agency/Institution: The University of Utah

Project Name: School of Dentistry Building

Agency/Institution Priority: n/a

Preliminary Cost Estimate: \$37,400,000

Total Project Space (Gross Square Feet) 70,200

New Space (Gross Square Feet) 70,200

Remodeled Space (GSF) 0

Space to be Demolished (GSF) 0

Structure Parking Stalls are not included in new space above.

Increase in State Funded O&M \$0

No New Program Costs \$0

The Regional Dental Education Program (RDEP) currently receives \$511,978 to supplement student tuition to help pay for the education of 20 dental students. No additional program costs will be requested at this time.

The request for approval of this Capital Budget Request is contingent upon Legislative authorization of the School of Dentistry program.

New FTEs Required for O&M 2

		<u>Year 1</u>	<u>Year 4</u>
New FTEs Required for Program	Faculty, Residents, Staff	26	90

Other Sources of Funding Over \$50 million has been received in private donations and endowment funds dedicated to this project.

Previous State Funding \$511,978

Existing Facility:

The current program occupies approximately 3,000 square feet in the Health Sciences Education Building and the School of Medicine Building. In addition, classroom space is shared with the Health Sciences colleges and schools within the Health Sciences Education Building. The new Dental Building will house all of the academic programs and most of the clinical programs of the proposed School of Dentistry.

Project Description:

The Dental Building is planned as a four level building of approximately 70,500 gross square feet. Two sites are under consideration for this project. Upon the establishment of a School of Dentistry, the dental building will house academic, research and clinical space to support the mission of the proposed college.

Project Justification:

The existing University of Utah dental education programs are defined as The Regional Dental Education Program (RDEP). The program helps provide dental education to twenty Utah student residents each year through two programs: Half of the students participate in the RDEP-Creighton University program, and the other participate at large dental schools throughout the country. For the past six years, the University has examined the need, costs and benefits of creating a comprehensive dental school in Utah to meet the needs of our Utah residents. An anonymous Utah donor sympathetic to the need for increased dental care for all Utah residents, and especially the underserved, pledged a gift of \$30 million to help the University establish a dental school and fulfill the University vision education, patient care and research.

This project is needed to improve the health our community through education, research and clinical services. *The request for approval of this Capital Budget Request is contingent upon Legislative authorization of the School of Dentistry program.*

Planning/Programming:

A Strategic Academic Plan, a Feasibility Study and Facility Plan have been prepared for this Project.

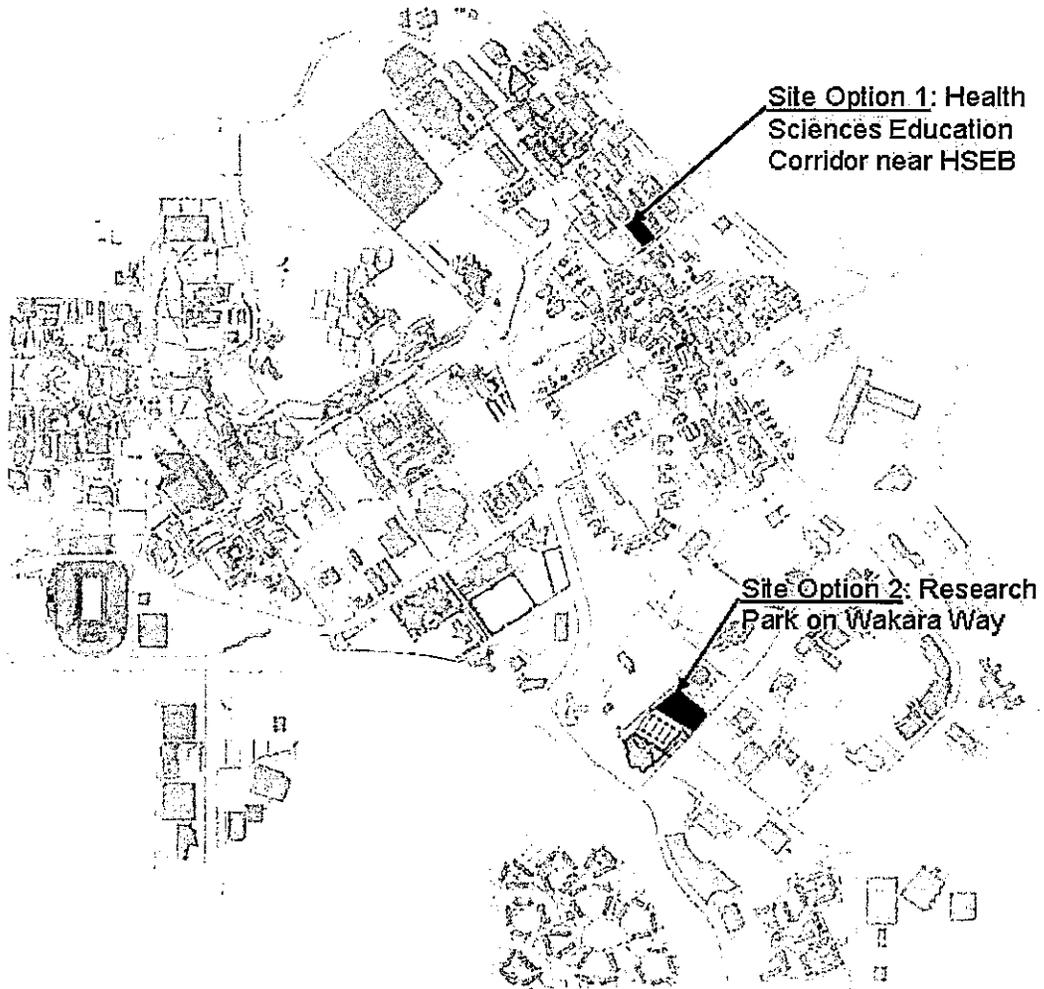
Site and Infrastructure:

Two sites are under consideration by the University for this project. The first potential location for the new structure is on the site of the current parking lot immediately south of the health Sciences Education Building. This site has been part of the Health Sciences Center long range plan for several years. In this scenario, parking lost to construction will be replaced with one level of underground parking beneath the building and a portion of a structured parking deck to be located in the Health Sciences Precinct on the east bench. Existing utilities are sufficient to support the new building.

The second potential location is in Research Park near the intersection of Wakara Way and Foothill Boulevard and is positioned on undeveloped land between the University of Utah Orthopedic Center and the Health Education Professions Building.

A traffic and site analysis study is underway to inform the site determination.

Photographs and Maps:



**Site Option 1: Health
Sciences Education
Corridor near HSEB**

**Site Option 2: Research
Park on Wakara Way**

University of Utah - Pro-Forma Summary for Building the Health Sciences AND Main Campus Parking Structures (Gain in Stalls = 915)

Revised 12/05/11

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
New Permit Revenue from Price Increases	223,776	402,474	542,257	2,420,764	2,516,950	2,613,991	2,714,441	2,815,734	2,924,320	3,033,503	3,152,618
Health Sciences Parking Structure Revenue		24,685	25,549	26,443	27,368	28,326	29,318	30,344	31,406	32,505	33,643
Main Campus Parking Structure Revenue		486,030	503,041	520,647	538,870	557,730	577,251	597,455	618,366	640,008	662,409
Total Revenues		510,715	528,590	547,090	566,238	586,057	606,569	627,799	649,772	672,514	696,051
Health Sciences Parking Structure Expenses	876,990	907,186	908,242	909,336	910,468	1,000,717	912,853	914,108	915,407	916,752	918,144
Main Campus Parking Structure Expenses	1,881,790	1,959,415	1,962,132	1,964,944	1,967,854	2,089,635	1,973,984	1,977,211	1,980,551	1,984,008	1,987,585
Total Expenses	2,758,780	2,866,601	2,870,375	2,874,280	2,878,323	3,090,352	2,886,837	2,891,319	2,895,958	2,900,760	2,905,729
Net Cost of Parking Structures	(2,758,780)	(2,355,886)	(2,341,785)	(2,327,190)	(2,312,085)	(2,504,295)	(2,280,269)	(2,263,521)	(2,246,187)	(2,228,246)	(2,209,677)
Commuter Services Net	(2,535,004)	(1,953,412)	(1,799,528)	93,573	204,865	109,696	434,173	552,213	678,133	805,257	942,941

First three years of deficit will be covered by diverting funds from parking lot repair and maintenance budget.

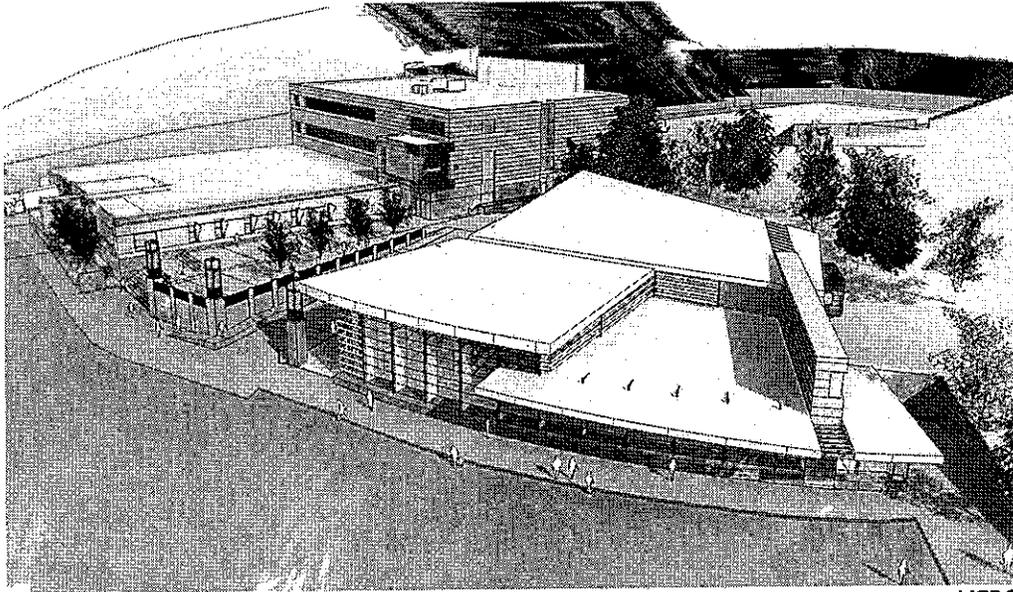
Planning/Programming

A conceptual study has been done provide visualizations for fundraising purposes. The programming contract will be awarded shortly.

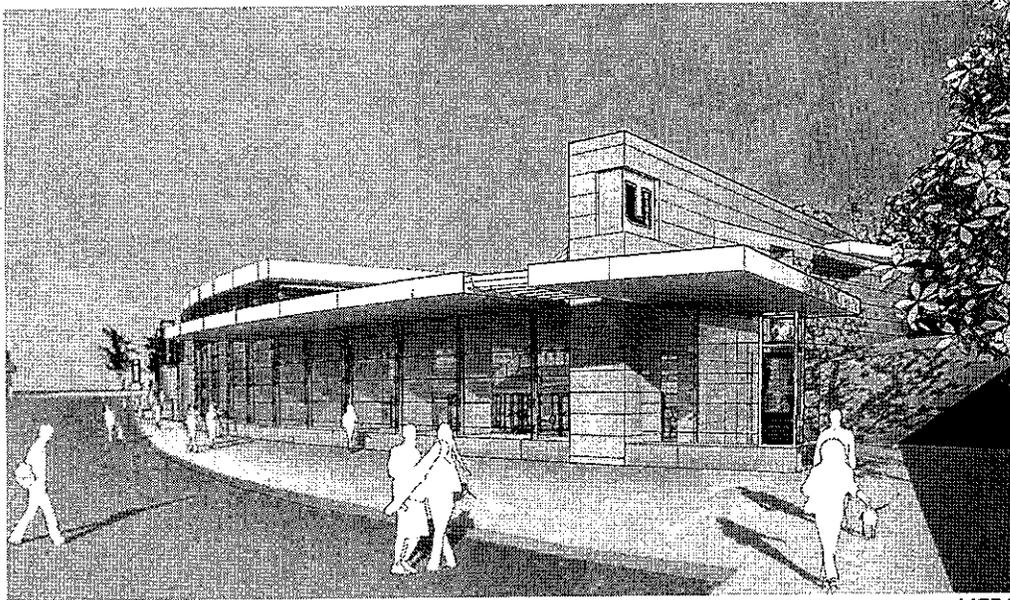
Site and Infrastructure

The site will be adjacent to the Jim and Carol Laub Athletic/Academic Complex, at the northwest corner of the Romney Stadium. The site is adjacent to existing infrastructure and parking.

Building Conceptual Study

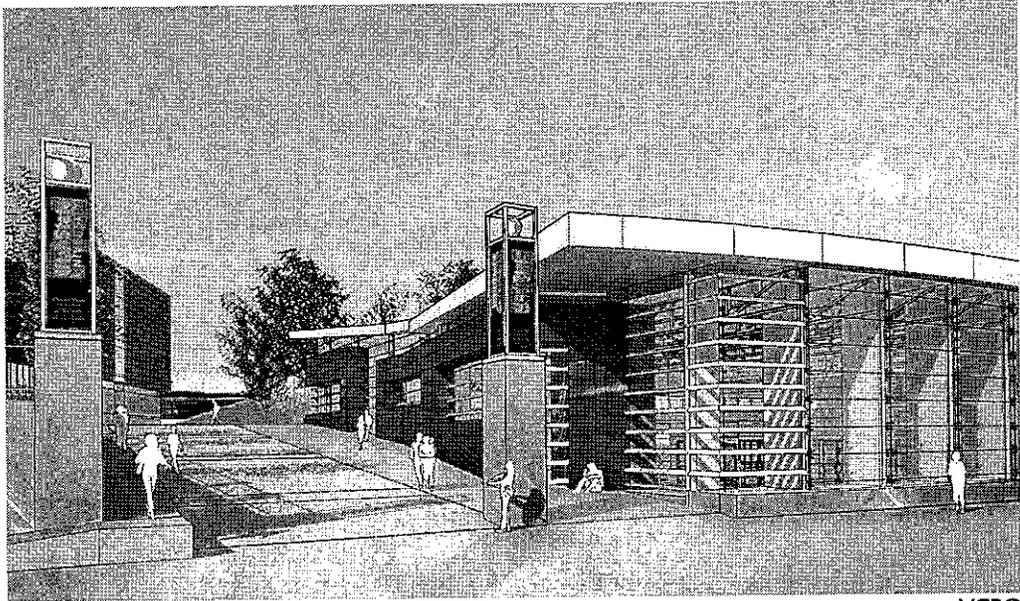
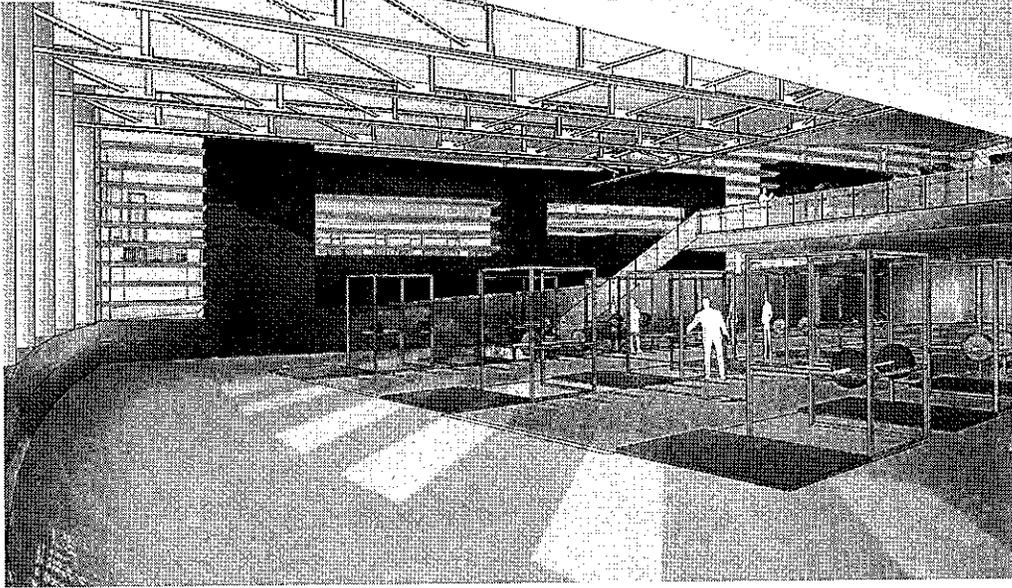


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University Of Utah
Contingency Balance Analysis
November 14, 2011

Project No.	Description	Percent Complete	Project Budget	Authorized Contingency Amount	Contingency Funds Needed	Current Project Status
20022	Electrical Distribution System Improvements	100%	2,500,000.00	164,025.00	-	Substantially Complete
20024	HTW Lines Replacement - Health Sciences Area	100%	3,189,399.00	170,237.00	-	Substantially Complete
20026	Eyring Chemistry HVAC System Upgrades	0%	2,337,000.00	149,110.00	149,110.00	Construction
20029	Fletcher Building - Fume Hood Upgrade	0%	306,600.00	22,187.00	22,187.00	Construction
20034	Health Science Library Fire Alarm & Sprinkler Sys	99%	1,388,000.00	106,165.00	944.87	Substantially Complete
20116	Chiller Capacity Consolidation (So. Chiller Plant)	0%	2,009,000.00	126,160.00	126,160.00	Bidding
20208	HPER Mall Tunnel & HTW	100%	2,367,519.00	155,821.00	62,328.40	Substantially Complete
20214	Campus Site Lighting Upgrade FY12	0%	200,000.00	18,050.00	18,050.00	Design
20214	Campus Site Lighting Upgrade	98%	200,000.00	18,050.00	361.00	Substantially Complete
20218	HPER Complex HTW Lines	100%	468,332.00	34,821.00	-	Substantially Complete
20242	Life Sciences Building - Replace Leaking Pipes	18%	500,000.00	32,730.00	26,838.60	Construction
20244	High Temp Water Plant Replace Motor Control	79%	821,300.00	66,984.00	14,033.15	Substantially Complete
20246	FY11 HTW Line Replacement (Inc. Reallocated FY10 funding)	65%	2,589,902.00	188,105.79	188,105.79	Construction
21143	FY11 HTW Line Replacement (Inc. Reallocated FY10 funding)	0%	3,263,000.00	236,993.21	236,993.21	Construction
20253	Develop Secondary Water System for Landscape Irrigation	100%	825,000.00	63,900.00	-	Construction
21032	Replace HVAC Controls in Buildings	0%	845,000.00	73,168.00	73,168.00	Construction
21078	Emergency Generators and Load Management	0%	500,000.00	39,313.00	39,313.00	Construction
21079	Electrical Distribution System Improvements	39%	2,500,000.00	175,350.00	106,963.50	Construction
21108	Regulated Waste Facility Replace Barrel Exhaust System	0%	90,000.00	6,707.00	6,707.00	Design
21130	Secondary Water System for Landscape Irrigation SW Campus	0%	1,375,000.00	94,350.00	94,350.00	Construction
21159	Refrigerant Sensor Installation	0%	225,000.00	20,520.00	20,520.00	Design
21161	Eccles Genetics RO System Replacement	0%	300,000.00	23,560.00	23,560.00	Design
21165	Water Conservation Measures	0%	300,000.00	17,005.00	17,005.00	Design
21166	Behavioral Science Plaza Concrete Repairs	0%	500,000.00	38,388.00	38,388.00	Design
21170	Park Building Elevator Replacement	0%	175,000.00	13,775.00	13,775.00	Design
21171	Emergency Generator Replacement	0%	650,000.00	56,340.00	56,340.00	Design
21172	Electrical Distribution	0%	2,500,000.00	172,942.00	172,942.00	Design
21189	Eccles Health Sciences Library Loading Dock	0%	200,000.00	15,514.00	15,514.00	Design
21190	Campus Utility Metering System Upgrade	0%	500,000.00	44,863.00	44,863.00	Design
21194	Student Services Building Exterior Repairs	0%	500,000.00	38,989.00	38,989.00	A/E Selection
Projected Contingency Fund Needs					1,607,509.52	
Contingency Reserve Fund Balance					2,165,905.37	
Projected Excess in Contingency Reserve Fund					558,395.85	

It is anticipated that the projected excess balance will be needed in order to address the large volume of utility and fume hood work that is in process as these types of projects have shown to have a history of higher than average unknown conditions resulting in contingency needs greater than the standard percentage.