

# Utah State Building Board



## MEETING

December 5, 2018

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## MINUTES

### **Members in Attendance:**

Ned Carnahan, Chair  
Jeff Reddoor, Director  
Lisa Barrager  
Mike Kelley  
Wendell Morse  
Chip Nelson  
Gordon Snow

### **Guests in Attendance:**

Patty Yacks	Building Board
Mike Smith	Building Board
Tani Downing	Department of Administrative Services
Michelle Brown	Department of Administrative Services
Cat Bartolini	Department of Administrative Services
Sarah Boll	Department of Administrative Services
Jim Russell	Department of Administrative Services
Wayne Christensen	Department of Administrative Services
Dorothy Taylor	Department of Administrative Services
Nick Radulovich	Department of Administrative Services
Cade Meier	Department of Alcohol Beverage Control
Sal Petilos	Department of Alcohol Beverage Control
Don Brinkerhoff	Department of Human Services
Tyson Walker	Department of Human Services
Chris Talbot	State Courts
Tyson Garr	Utah Department of Corrections
Greg Peay	Utah Department of Corrections
LTC Vince Wolff	Utah National Guard
Sid Pawar	AJC Architects
Frances Pruyne	CRSA
Paul Morris	Dixie State University
Sherry Ruesch	Dixie State University

Jodi Geroux	FFKR Architects
Ben Tanner	Huntsman Cancer Institute
Susan Sheehan	Huntsman Cancer Institute
Mike Sivulich	Jacobsen Construction
Jordan Terry	KPFF
Jeff Palmer	Layton Construction
Ellen Parrish	Method Studio
Christina Coutts	NWL Architects
Julee Attig	Reaveley Engineers
Malin Francis	Salt Lake Community College
Tiger Funk	Southern Utah University
Brittany Punjabi	Spectrum Engineers
Adam Young	Spectrum Engineers
Scott Hinton	Utah State University
Dave Cowley	Utah State University
Ben Berrett	Utah State University
Rich Amon	Utah System of Higher Education
Lori Haglund	Van Boerum & Frank

On Wednesday, December 5, 2018, the Utah State Building Board held a regularly scheduled meeting in Room 250 of the Utah State Capitol. The meeting was called into order at 9:00 A.M.

**☐ APPROVAL OF MINUTES FROM THE SEPTEMBER 5, 2018 BOARD MEETING**

Chair Carnahan asked for comments or corrections to the minutes from the September Building Board meeting. None were brought forward.

**MOTION: Mr. Snow moved to approve the minutes from the September 5, 2018 Board Meeting. The motion was second by Mr. Burgess and passed unanimously.**

**☐ APPROVAL OF MINUTES FROM THE FY20 CAPITAL DEVELOPMENT HEARINGS AND PRIORITIZATION OCTOBER 3-4, 2018**

Chair Carnahan asked for comments or corrections to the minutes from the FY20 Capital Development Hearings and Prioritization on October 3-4, 2018. None were brought forward.

**MOTION: Mr. Morse moved to approve the minutes from the FY20 Capital Development Hearings and Prioritization on October 3-4, 2018. The motion was second by Ms. Barrager and passed unanimously.**

**☐ APPROVAL OF THE 2019 BUILDING BOARD SCHEDULE**

The 2019 schedule was reviewed by the Board members. No changes were brought forward.

**MOTION: Ms. Barrager moved to approve the 2019 Building Board Schedule. The motion was second by Mr. Burgess and passed unanimously.**

**☐ FY20 NON-STATE FUNDED CAPITAL DEVELOPMENT AND LAND BANK PRESENTATIONS**

Director Reddoor stated that the following non-state funded requests have a funding component that requests either a revenue bond or on-going maintenance, both require legislative approval.

**MOTION: Mr. Nelson moved to require a letter stating that the funds are in place for all of the Non-State Funded requests from the institution/agency's President or**

**CFO. The motion was second by Mr. Snow and passed unanimously.**

**☐ DIXIE STATE UNIVERSITY: 450 BED STUDENT HOUSING PROJECT**

Mr. Morris presented an on-campus student housing request that will add 450 beds. This is an effort to address the current need for student housing at DSU. The project will cover 125,000 sqft and will cost \$ 41,835,000, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance. DSU does not expect to impact the private housing industry citing continuous demand and the cost of rent will be similar to what is being offered in the area.

**MOTION: Mr. Burgess moved to recommend Dixie State University's 450 Bed Student Housing Project to the Legislature for bonding approval. The motion was second by Mr. Snow and passed unanimously.**

**☐ UTAH STATE UNIVERSITY: INFORMATION TECHNOLOGY SERVICES BUILDING**

Mr. Cowley presented a request to construct a new IT facility. The IT department currently occupies space in three buildings across the USU Logan campus, resulting in operational inefficiencies and utilizes valuable academic space. The project consists of a new 23,500 sqft building and will cost \$7.7M, which will be paid from a revenue bond. State funds are requested for O&M in the amount of \$206,330. This project has been approved on USU's Master Plan.

**MOTION: Mr. Morse moved to recommend Utah State University's Information Technology Services Building to the Legislature for both bonding approval and for ongoing O&M funds. The motion was second by Mr. Snow and passed unanimously.**

**☐ UTAH STATE UNIVERSITY: MOAB ACADEMIC BUILDING (WITH O&M REQUEST)**

Mr. Cowley presented a request to construct the first facility on the new 40-acre Moab campus property acquired by USU in 2012. It will allow all existing programs to be relocated from the two existing commercial buildings that currently constitute the USU Moab campus. Upon completion of the new academic building, USU intends to sell the commercial buildings and apply the proceeds to the construction cost of the new facility. The facility contains classrooms as well as space for nursing and health profession laboratories, a computer lab, a testing center, and office space. Moab City is providing road and utilities infrastructure to the site. The project consists of a new 20,500 sqft building and will cost \$11M, which will be paid from a revenue bond. No funds are requested for construction. State funds are requested for O&M in the amount of \$184,526.

**MOTION: Mr. Burgess moved to recommend Utah State University's Moab Academic Building to the Legislature for both bonding approval and for ongoing O&M funds. The motion was second by Mr. Snow and passed unanimously.**

**☐ UTAH STATE UNIVERSITY: MOUNTAIN VIEW RESIDENCE HALL REPLACEMENT**

Mr. Cowley presented a request to construct a new 401-bed suite-style housing facility that will replace the existing Mountain View Tower built in 1966. This is a follow-on project to the new Central Suites housing facility that opened in fall 2018, which replaced the Valley View Tower, a twin to the Mountain View Tower. Due to its age, a complete building replacement is recommended as the current residence hall lacks modern fire-suppression and life-safety systems. The project consists of 129,160 sqft and will cost \$41.6M, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance.

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**MOTION: Mr. Morse moved to recommend Utah State University's Mountain View Residence Hall Replacement to the Legislature for bonding approval. The motion was second by Mr. Snow and passed unanimously.**

**□ UTAH STATE UNIVERSITY: USU EAST PARKING TERRACE 600 STALLS**

Mr. Cowley presented a request to construct a new 500-600 stall parking structure on the east side of the Logan campus, adjacent to the Fine Arts facilities and on-campus housing. Over time, surface parking lots have given way to new facility construction and growing demands drive the need for the University to plan for and develop structured parking across the campus. The project consists of 225,000 sqft and will cost \$11.7M, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance. Chair Carnahan would like to review USU's Master Plan in an upcoming meeting.

**MOTION: Mr. Burgess moved to recommend Utah State University's East Parking Terrace 600 Stalls to the Legislature for bonding approval. The motion was second by Mr. Nelson and passed unanimously.**

**□ UTAH STATE UNIVERSITY: SPACE DYNAMICS LAB RESEARCH BUILDING**

Mr. Cowley presented a request to construct a new research facility for the Space Dynamics Laboratory (SDL). This is the second phase of the SDL buildings that add offices and computer-testing laboratories. Strong, sustained demand for SDL research is creating the need for an additional phase of construction. Until the new building becomes available, SDL will continue to lease space on the Innovation Campus. The project consists of 78,000 sqft and will cost \$37.7M, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance.

**□ UTAH STATE UNIVERSITY: SPACE DYNAMICS LAB HIGH-BAY BUILDING**

Mr. Cowley presented a request to construct a new high-bay laboratory on a vacant site located directly east of the Bennett building and south of the Garn building. The SDL is in need of additional high-bay laboratory spaces to assemble, test, and calibrate larger sensors, satellites, and other space-based projects. Existing high-bay spaces are beyond capacity and multiple projects are sharing the spaces to the best of their abilities. The project consists of 40,000 sqft and will cost \$15M, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance.

**MOTION: Mr. Snow moved to recommend both Utah State University's Space Dynamics Lab Research Building and the Space Dynamics Lab High-Bay Building to the Legislature for bonding approval. The motion was second by Ms. Barrager and passed unanimously.**

**□ UTAH VALLEY UNIVERSITY: SORENSEN STUDENT CENTER REMODEL**

Representative Peterson presented a request to renovate the current Sorensen Student Center. This project will enhance the food court and add more seating for student dining. Additional conference, office, and service spaces will be included. Aging venues, such as the Ragan Theater, will be updated. Entries into the bookstore and meeting spaces will be improved to make them easier for students to find. The project will also add space for mental health initiatives proposed by students. The project consists of 55,000 sqft (39,000 renovated, 16,000 new space) and will cost \$24,557,843, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance.

**MOTION: Mr. Barrager moved to recommend Utah Valley University's Sorensen Student**

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**Center Remodel to the Legislature for bonding approval. The motion was second by Mr. Nelson and passed unanimously.**

**☐ UNIVERSITY OF UTAH: U OF U HUNTSMAN CANCER HOSPITAL PHASE V - WOMEN'S CENTER**

Mr. Tanner presented a request to construct an eight-story addition to the northwest of Phase III of the Huntsman Hospital complex. Four of these floors, comprising about 102,000 sqft, will house the hospital and clinical programs listed below:

- Women's Center – outpatient exam, procedure, consult, mammography
- Expansion of Wellness and Integrative Health Center
- Inpatient rooms: 45-50
- Additional patient/visitor parking
- Oncology faculty workspace
- Expanded space for clinical trials

Additionally, due to the limited availability of land for further growth, an additional four floors (comprising about 88,000 sqft) is being requested for nonclinical operations and for future growth. The total estimated cost is \$129M, of which \$40M will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance.

**MOTION: Ms. Barrager moved to recommend the University of Utah's Huntsman Cancer Hospital Phase V – Women's Center to the Legislature for bonding approval. The motion was second by Mr. Nelson and passed unanimously.**

**☐ UNIVERSITY OF UTAH: RICE ECCLES STADIUM SOUTH END ZONE UPGRADE**

Mr. Harlan presented a request to replace the existing Clark Building, located in the South End Zone of Rice Eccles Stadium. A recently completed market survey and analysis demonstrated strong community support for an upgrade to the South End Zone. The upgrade will include:

- New locker rooms, training and equipment rooms
- Recruiting, band & press space
- New Premium seating options
- Replace bench seating
- Added concessions and restrooms for all attendees
- Continuous concourse around stadium

The project consists of 174,000 sqft and the total estimated cost is \$80M, which will be paid from a revenue bond. No funds are requested for construction, capital improvements, or operations and maintenance.

**MOTION: Mr. Nelson moved to recommend the University of Utah's Rice Eccles Stadium South End Zone Upgrade to the Legislature for bonding approval. The motion was second by Mr. Burgess and passed unanimously.**

The following request was brought forward as a FY20 Non-State Funded Request

**☐ DEPARTMENT OF ALCOHOL BEVERAGE CONTROL: DOWNTOWN STORE RELOCATION**

Director Petilos presented a request to construct a new downtown liquor store to relocate the existing store away from Pioneer Park. The new store location will serve the residents of Salt Lake and offer better parking for ease and convenience of shoppers. The project consists of

30,492 sqft and will cost \$10,091,089, which will be paid from a revenue bond. O&M funds received for the current downtown store will transfer to the new location. Funds from the State Store Land Acquisition Fund will be used for the project's \$4.6M property acquisition.

**MOTION: Mr. Snow moved to recommend the Department of Alcohol Beverage Control's Downtown Store Relocation to the Legislature for bonding approval. The motion was second by Mr. Nelson and passed unanimously.**

The Department of Public Safety's UFRA Relocation Land Bank request was removed from the agenda as it was presented in the FY20 Capital Development Hearings on October 3, 2018.

**❑ DFCM: STATE FACILITY ENERGY EFFICIENCY FUND LOAN REQUEST FOR SCOTT MATHESON COURTHOUSE LIGHTING UPGRADE**

Ms. Boll proposed a State Facility Energy Efficiency Fund (SFEEF) loan application the amount of \$236,533 to fund a lighting upgrade for the parking garage and interior of the Scott Matheson Courthouse. The total estimated annual savings of \$56,180 and simple payback of 1.9 and 2.6 years for each measure meet the DFCM Building Performance Group's expectations and guidelines for SFEEF funding.

Mr. Nelson recommended that DFCM review and complete an annual prioritization of SFEEF requests in order to identify where funds can be best used.

**MOTION: Ms. Barrager moved to approve the State Facility Energy Efficiency Fund Loan Request for the Scott Matheson Courthouse Lighting Upgrade. The motion was second by Mr. Snow and passed unanimously.**

**❑ BUILDING BOARD: CRV METHODOLOGY AND AMOUNT**

Director Reddoor reviewed the process for calculating the capital improvement funding 1.1% increase. The calculation starts by receiving the ongoing values for State-owned property, which is provided by the Division of Risk Management. This number is then subtracted by the value of self-reported auxiliary space. Then, an amount identified through the Building Board's Infrastructure Assessment and added to the abovementioned equation. The sum is then multiplied by 1.1%, which is the annual capital improvement funding request.

			+ Additional 10% added for Infrastructure provided by Building Board Infrastructure Assessment	= Totals	
<b>Risk Ongoing Values</b>	- <b>Value Less Aux. Space</b>				<b>1.10%</b>
\$ 12,486,624,497	\$ 9,828,873,491	\$	1,699,345,075	\$ 11,528,218,566	\$ 126,810,400

**MOTION: Mr. Nelson moved to approve the CRV Methodology and Amount. The motion was second by Mr. Burgess and passed unanimously.**

**❑ ADMINISTRATIVE REPORTS FOR THE UNIVERSITY OF UTAH & UTAH STATE UNIVERSITY**

Mr. Nye delivered the administrative report for the University of Utah. There were 11 professional service agreements and 7 construction contracts issued. The report covers the period of October 25, 2018 – November 19, 2018

There was one small increase representing residual funds for a capital improvement project to

the Project Reserve Fund. There were no decreases to the fund. The balance is \$509,490, which is considered adequate to meet anticipated demands.

There were no increases and one decrease to the Contingency Reserve Fund leaving a balance of \$2,975,446 is adequate to complete the projects that have been authorized and does not reflect an excess balance.

- Project 21642; HTW Distribution Completion - This transfer of \$34,848 covers the cost of several unforeseen conditions, the most substantial of which was the 15,744 cost of additional vent vaults and drains required due to realignment of pipe to avoid existing conditions

Mr. Berrett delivered the administrative report for Utah State University. There were 14 professional service agreements and 11 construction contract were issued. The report covers the period of October 26, 2018 – November 21, 2018

- One RFP was created and awarded to Method Studio for several projects at the USU location in Price
- EVR Solar Array Project – this project will be funded through a grant from Rocky Mountain Power
- Institutional Residence Remodel – this project is to finish the basement of the President's residence
- NFS Lab Dairy Mech Upgrade – these upgrades are to comply with new USDA standards

Four projects needed funds and no projects contributed to the contingency reserve fund during this reporting period. This leaves a balance of \$738,435, which is considered adequate to meet anticipated demands.

One project needed funds and six projects contributed to the reserve fund during this reporting period. This leaves a balance of \$702,805, which is considered adequate to meet anticipated demands.

The Board is considering additional reporting requirements and, or, policy updates for the institutions on projects that are being completed by staff internally – noting an importance to track expenses on both labor and materials. This requirement will be further discussed in a future business meeting.

#### **□ ADMINISTRATIVE REPORT FOR DFCM**

Mr. Russell delivered the administrative report for the Division of Facilities Construction Management. The report covers the period of August 15, 2018 – October 15, 2018. There are no significant updates to the lease report. 88 professional service agreements and 82 construction contracts were issued.

Contingency Reserve Fund, Capital Development started period with \$1,365,868, had increases of \$5,476,067 and ten decreases for \$578,472, ending with a balance of \$6,057,322.

Contingency Reserve Fund, Capital Improvement started period with \$7,508,386, had multiple increases totaling \$4,078,313 and multiple decreases totaling \$585,312, ending with a balance of \$10,931,596

The Project Reserve Fund had had one increase and one decrease, ending with a balance of

\$2,123,181. The Improvement Project Reserve Fund started with a balance of \$4,075,673, had numerous transfers in of \$294,874 and 14 transfers from the fund of 302,276, ending with a balance of \$4,068,271.

Supplemental funding will be requested for two FY18 projects, DSU's Human Performance Center and USDB's Springville School for the Deaf and Blind. Mr. Russell cited that there wasn't enough escalation built into the budgets and that labor and material costs have significantly risen.

The current projection for the Contingency Reserve Fund analysis is an excess of \$2,189,069

**❑ FUTURE AGENDA ITEMS**

- Rule R23-33. Rules for the Prioritization and Scoring of Capital Improvements by the Utah State Building Board will be due for five-year review in January
- Building Board member succession planning
- State Facility Energy Efficiency Fund Loan: Prioritization of requests
- USU Master Plan Review
- Higher-Ed Administrative Report: Review expenditure reporting requirements for internally completed projects

**❑ ADJOURNMENT**

**MOTION: Mr. Morse moved to adjourn the meeting. The motion was second by Mr. Nelson and passed unanimously.**

The meeting adjourned at 11:55 A.M.