

Utah State Building Board



MEETING

January 14, 2015

MINUTES

Members in Attendance:

Ned Carnahan, Chair
Chip Nelson
David Tanner
Gordon Snow
David Fitzsimmons

Guests in Attendance:

Jeff Reddoor	Utah State Building Board
Tyson Gregory	Utah State Building Board
Mike Smith	Utah State Building Board
Kim Hood	Department of Administrative Services
Rich Amon	Department of Administrative Services
Bruce Whittington	Division of Facilities Construction & Management
Jim Russell	Division of Facilities Construction & Management
Lee Fairbourn	Division of Facilities Construction & Management
Wayne Christensen	Division of Facilities Construction & Management
CeeCee Niederhauser	Division of Facilities Construction & Management
Darrell Hunting	Division of Facilities Construction & Management
Alan Bachman	Attorney General's Office
Nicole Alder	Attorney General's Office
Ralph Hardy	USHE
Ken Nye	University of Utah
Mike Perez	University of Utah
Cory Higgins	University of Utah
Sherry Ruesch	Dixie State University
Bob Askerlund	Salt Lake Community College
Malin Francis	Salt Lake Community College
Kevin Griffin	UDOT
Tyler Brinkerhoff	UCAT
Tricia Pilny	Ken Garner Engineering
Bryan Webb	Layton Construction

Chris Coutts	Architectural Nexus
Jerry Jensen	Department of Corrections
Tiger Funk	Southern Utah University
Chad Nielsen	MHTN Architects
Dan Clark	State Parks and Recreation
Jamie Harsh	State Parks and Recreation
Amber Craighill	BHB Engineers
Mack McDonald	Department of Human Services
Travis Hogge	Weber State University
Jackie McGill	Spectrum Engineers
Lori Haglund	VBFA
Keri Hammond	Market Link

On Wednesday, January 14, 2015 the Utah State Building Board held a regularly scheduled meeting in Room 250 of the Utah State Capitol Building in Salt Lake City, Utah. Chair Ned Carnahan called the meeting to order at 9:00 am. It was noted that Board member Fred Hunsaker was excused from the meeting.

□ **APPROVAL OF MINUTES OF DECEMBER 10, 2014**

Chair Carnahan asked if there were any additions or corrections to the minutes. There were none.

MOTION: Gordon Snow moved to approve the Minutes of December 10, 2014. The motion was seconded by David Tanner and passed unanimously.

□ **LONG TERM LEASE REQUEST IN CEDAR CITY, UT FOR A NEW PUBLIC SAFETY AND DEPARTMENT OF CORRECTIONS BUILDING**

Wayne Christensen, Real Estate Specialist from DFCM, Commissioner Dale Brinkerhoff, and Major Mike Rapich from the Department of Public Safety reported on this project. Mr. Christensen said this new facility in Iron County has been in the works for several years. It will be located on property in front of the existing Sheriff's Offices and County Jail Complex. Major Rapich added this building will be constructed by Iron County with a \$3 Million bond from the "Permanent Community Impact Fund" and will house the Utah Highway Patrol, Driver License, Communication Dispatch, Adult Probation and Parole, and the Iron and Garfield County Narcotics Task Force. The facility is sized for the 20 year growth of Public Safety and Corrections. Adult Probation and Parole is presently located in the old DABC store on South Main – a total of 3,366 sf of space which does not allow for interview rooms, drug testing or private offices. This new space will correct all the deficiencies of the present AP&P office. The co-location of all these five agencies will improve the daily communication between the agencies. This 20 year lease will provide a small net savings in lease payments along with the needed additional square footage.

MOTION: David Tanner moved to approve the Long Term Lease Request in Cedar City for a New Public Safety and Department of Corrections Building. The motion was seconded by Chip Nelson and passed unanimously.

□ **ADMINISTRATIVE REPORTS FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY**

Ken Nye from the University of Utah reported there were nine design and one planning/study agreement during this reporting period. Notable was item #4 HTW Pipeline Replacement Final Phases Project. This agreement is for the design of the final phase of the HTW pipeline replacement component of the Utility Infrastructure Project. The University is taking a small portion of the current funding they have in place to get the design started. Mr. Nye reminded the Board of last year's legislative decision to fund their Infrastructure Project through Capital Improvements. Since this phase of the project is under \$10 Million it made sense to have this portion managed by the University. Under Construction Contracts, notable was item #5 Wall Mansion Renovation. This CM/GC agreement was awarded to McCullough Engineering and Contracting on a sole source basis under the provision in the State Procurement Code that provides for direct award without competition when this is "a condition of a donation". McCullough had been engaged by the former owner of this property to perform previous work. The donors, who are funding this project, required the continued use of McCullough as a condition of their donations. The Project Reserve Fund shows two capital improvement projects that were closed out with the residual balance totaling \$7,089.38 transferred to Project Reserve as provided by statute. There were no decreases to this fund. The Contingency Reserve Fund had two projects which provided decreases to this fund -- both were for unforeseen conditions. There was a decrease of \$4,000 for the Social & Behavioral Science – Repair Exterior Concrete & Steel which were for very small items due to unforeseen conditions discovered during construction. The second was for \$12,529.85 for the Art & Architecture Fume Hood & Fire Protection Upgrade which covers the cost of additional speaker strobes that were required by the University's new Fire Marshall. This requirement had been missed in the plan review.

Ben Berrett from Utah State University was excused from the meeting and will give USU Report at the next Board Meeting.

□ **WEBER STATE UNIVERSITY'S REQUEST TO COMPLETE A SYSTEM RENOVATION FOR THE MILLER ADMINISTRATION BUILDING ON THE OGDEN CAMPUS**

Mark Halverson, Director of Campus Planning and Construction at Weber State University proposed an agency funded renovation of the Miller Administration Building. This facility was constructed in 1970. Mechanical, electrical and plumbing systems have exceeded their life expectancy for this 42,000 sf building. Weber State worked with DFCM to determine if a multi-year phased approach might be possible, but it was determined this was too disruptive to the critical operations in the building. A single, three and a half month renovation of the building, seemed more feasible. The cost of renovation is estimated at \$4 Million and will be funded by the Energy Savings Program and University Capital Budget Funding. No additional O&M will be requested. This will be a DFCM managed project. Board members expressed concerns with the seismic conditions of the building. Mr. Halverson reassured the Board the building was re-roofed a few years ago and seismic improvements were made at that time.

MOTION: Gordon Snow moved to approve Weber State University's Request to Complete a System Renovation for the Miller Administration Building on the Ogden Campus. The motion was seconded by David Fitzsimmons and passed unanimously.

□ **WEBER STATE UNIVERSITY'S REQUEST TO RENOVATE A RECENTLY ACQUIRED OFFICE BUILDING INTO A CLASSROOM BUILDING**

Mark Halverson reported a few years ago the University acquired a property close to their Davis Campus and near the south gate of Hill Air Force Base. The 2.25 acres of land and 27,000 sf office building had a previous tenant, who vacated the property in April, 2013. WSU wishes to renovate this facility into classroom space. The newly renovated facility will be used for evening classrooms for WSU and leased as daytime space of NUAMES Early College Charter High School. Estimated costs are at \$3.5 Million with upfront funding coming from accumulated lease revenue from the building and Continuing Education Funds. The lease payment from NUAMES will easily pay back all renovation costs as well as cover O&M. This renovation will provide 15 new classrooms, 2 new class-labs, faculty offices and student study space with minor structural upgrades.

MOTION: Chip Nelson moved to approve Weber State University's Request to Renovate a Recently Acquired Office Building into a Classroom Building. The motion was seconded by David Tanner and passed unanimously.

□ **FACILITY AUDIT REPORTS**

Jeff Reddoor introduced Mike Smith and Tyson Gregory, Facility Maintenance Auditors for the Building Board. The facility audits are in progress and should be completed by July, 2015. This report indicates how the agencies and institutions measure up to the State Facility Maintenance Standards. A score of 90% or higher is required in order for these facilities to be compliant with the state standards. Board members expressed concerns with some of the agencies that had scored low on the report and asked Mike Smith to report on any issues that should be brought to their attention. Jeff Reddoor mentioned the weighting factor recently used in the audit report which lowered most scores 1-2%. The original weight factors were 50/50 in work vs actual building conditions but now it is 75/25 which better reflects what is seen when auditors walk through the buildings. Improvements are needed by every agency and institution so reports are distributed to them with noted areas of improvement. Jeff Reddoor explained each year DFCM sends out a delegation notice (usually in August) which allows institutions and agencies to maintain their buildings themselves upon meeting certain state standards. This year there were three agencies that did not meet standards and were given one year to make the needed improvements. If these standards are not raised, then DFCM can revoke their delegation authority. Board members requested that an Executive Summary of the report be supplied to the Board with more detail including the judging criteria for the audit. Mike Smith responded a report will be made available when the audit is complete. Infrastructure was also a concern and the possibility of inclusion in the audit. In addition, Board members requested a five-year running average be included in the audit report to the Board. David Fitzsimmons expressed his support of the audit report and comments that this will be a forecasting tool for the Board.

Dan Clark, Construction Manager for Utah State Parks requested the scoring range be amended on a scale of 1-10. The original 1-5 scale for scoring does not portray an accurate rating of the facility because a score of 4 = 80% which is a fail. Mr. Clark feels the scoring matrix should be amended to be fairer. Jeff Reddoor said this standard was adopted by the Building Board as the standard, however changes can be made in the future. Jeff Reddoor will review this suggestion. Mr. Clark, a previous DFCM employee, also encouraged the Board to adopt a preventative approach to paving maintenance which would be a cost savings to the state.

□ **PRE-LEGISLATIVE APPROVAL OF FY 2016 CAPITAL IMPROVEMENT LIST**

Jeff Reddoor said this Capital Improvement List will be presented to the Legislature. With the help of DFCM, the use of CBE's, inflation indexes, and the new Capital Improvement Scoring Criteria, this is the recommended list that will be presented in the Five Year Book. The 1.1% Capital Improvement funding will be requested again this year. Last year this amounted to \$104 Million. This year, with the re-evaluation of the current replacement value of the State's inventory, this number has increased to \$111,546,900. The spreadsheet shows three different scenarios for possible funding:

- 1) Base funding of \$46,770,777
- 2) If funding is .09% = \$91,265,700
- 3) If funding is 1.1% = \$111,546,900

After the amount is determined and legislative approval received, possible adjustment will take place as needed. In reference to the FY 2016 Capital Improvement List, Board members expressed concerns that the state-wide energy metering funds be requested by individual agencies and institutions rather than remain in one lump sum so that it could be put into action. In addition, very little was allocated to paving on the CI List and Board members would like to see this addressed. Jeff Reddoor responded that some of the institutions and agencies have asked for metering projects, but not every one of them. It was determined that there should be a specific fund for metering and DFCM would oversee the distribution according to highest needs. The intention was to have the State's Energy Management Group manage this fund. However, if the Board chooses, this fund could be dedicated to a specific institution or agency for a project. In response to paving and roofing funds, Bruce Whittington reminded the Board that when roofing or paving projects come forward, it is in conjunction with DFCM. This year it was determined that additional funding was not needed.

MOTION: David Tanner moved to approve the Pre-Legislative FY 2016 Capital Improvement List as a preliminary list only and acknowledged this is in preparation for the final Capital Improvement List which will be approved at a later date. The motion was seconded by David Fitzsimmons and passed unanimously.

□ **ADMINISTRATIVE REPORT FOR DEPARTMENT OF TRANSPORTATION**

Kevin Griffin from UDOT indicated there were no new contracts issued during this reporting period. They have numerous projects being advertised this month. UDOT does not have an Contingency Fund. Yesterday, UDOT had the final selection on the Hooper Maintenance

Station Design Build Project. Three teams presented various different plans for the Hooper Station. A selection was made and agreements will be drawn up shortly. They had set a minimum of a 50 year design for their building which was met with all the teams. In addition, a lot of innovations were introduced creating more efficiency with less cooling and heating costs. UDOT may potentially adopt this new type of design as their proto-type which will enable them to stretch their dollars as much as possible in the future.

□ **ADMINISTRATIVE REPORT FOR DFCM**

DFCM Interim Director, Bruce Whittington reported DFCM processed ten leases which were all renewals. There was typical activity with the Professional Services Agreement as well as Construction Contracts. During this reporting period, DFCM awarded 28 Professional Agreements and 29 Construction Contracts. The Contingency Reserve Fund increases were a result of the Capital Development Fund which transferred monies out from seven projects with a total value of \$929,000 this period and leaves a balance of \$5.7 Million. The Capital Improvement Contingency Reserve Fund transferred out to twelve projects with a value of \$195,000 and has a balance of \$4.4 Million. There was no activity in the Project Reserve Fund this period. The remaining balance is just under \$3.8 Million. The Capital Improvement Reserve Fund saw transfers which increased the balance by \$315,000 with a total of \$6.5 Million in that fund.

□ **FUTURE AGENDA ITEMS**

Chair Carnahan asked if there were any future agenda items to be discussed. Gordon Snow encouraged the distribution of an Executive Summary to the Legislature which clarifies some of the issues and recommendations from the Board this year. Jeff Reddoor informed that the Five Year Book will be on the Building Board's Website tomorrow. Mr. Snow also expressed concern that the Board review some of the projects from previous years which did not receive O&M funding.

Chair Carnahan also thanked DAS Director, Kim Hood for attending the meeting.

□ **ADJOURNMENT**

MOTION: David Tanner moved to adjourn the meeting. The motion was seconded by Gordon Snow and passed unanimously.

The meeting adjourned at 10:36 am