

Utah State Building Board



MEETING

April 8, 2015

MINUTES

Members in Attendance:

Ned Carnahan, Chair
Chip Nelson
David Tanner
Gordon Snow
David Fitzsimmons
Fred Hunsaker
Bob Fitch

Guests in Attendance:

Jeff Reddoor	Utah State Building Board
Rich Amon	Department of Administrative Services
Bruce Whittington	Division of Facilities Construction & Management
Jim Russell	Division of Facilities Construction & Management
CeeCee Niederhauser	Division of Facilities Construction & Management
Darrell Hunting	Division of Facilities Construction & Management
Lee Fairbourn	Division of Facilities Construction & Management
Alan Bachman	Attorney General's Office
Nicole Alder	Attorney General's Office
Wayne Harper	Utah State Senate
Ralph Hardy	USHE
Greg Stauffer	USHE
Ken Nye	University of Utah
Mike Perez	University of Utah
Sherry Ruesch	Dixie State University
Ben Berrett	Utah State University
Charles Darnell	Utah State University
Bob Askerlund	Salt Lake Community College
Kevin Griffin	UDOT
Jerry Jensen	Department of Corrections
Tiger Funk	Southern Utah University
Mack McDonald	Department of Human Services

Darek Sagers	Utah National Guard
LTC Matt Branham	Utah National Guard
Rachel Legree	The Gordian Group
Chamonix Larsen	Department of Administrative Services
Tracy Neale	GSBS
Darlene Batatian	Terracom
Lori Haglund	VBFA
Vicky Golie	Babcock Design Group
Cali Centurion	MGB+A The Grassli Group
Keri Hammond	Market Link
Mark Halverson	Weber State University
Bryan Webb	Layton Construction
James Kilpatrick	BNA Consulting
Steven Allred	Legislative Fiscal Analyst Office
Sarah Korich	Spectrum Engineers
Jackie McGill	Spectrum Engineers
Wayne Harper	Utah State Senate
Rollin Cook	Department of Corrections
Greg Peay	Department of Corrections

On Wednesday, April 8, 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 9:01 am.

□ **APPROVAL OF MINUTES OF MARCH 4, 2015**

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 March 4, 2015. The motion was seconded by David Tanner and passed with five in favor and one abstained. Voting recorded as follows:**

Yes: **Gordon Snow, David Tanner, Chip Nelson, Fred Hunsaker and David Fitzsimmons**

Abstained: **Bob Fitch**

Chair Carnahan welcomed Senator Wayne Harper to the meeting.

□ **2015 OTHER FUNDING SOURCE CERTIFICATION FOR STATE-FUNDED BUILDINGS**

Jeff Reddoor explained the Legislature funded several state-funded facilities in the 2015 General Session contingent on the following: "the State Building Board has certified that: (1) the Board has received credible evidence that any other funding sources for a building as presented to the State Building Board and the Legislature during their prioritization processes are actually available, and (2) until the State Building Board votes to certify that such funds are available." [SB 2] The Legislature prohibited DFCM from expending any state funds until the State Building

Board verified the availability of alternative funding sources [see SB 2, Item 45]. This policy clarifies the process for certifying by the State Building Board that they have received credible evidence that the other funding sources as presented to the Board and the Legislature during their prioritization processes are actually available; and the Board votes to certify that such funds are available. Gordon Snow mentioned the direction for this certification was written in "intent language" which is for one year only and suggested that a permanent policy for certification be put in place over the long term. Board members expressed concern that there be set criteria from which to judge and approve funding for all projects in the future. Special note should be taken so as not to discourage donors from giving monies to Higher Ed. Assistant Attorney General, Alan Bachman suggested that an Administrative Rule be written which would establish a policy for funding criteria and the establishment of credible evidence so as to make the approval process easier. The Board also discussed if USHE has a policy in place that confirms that alternative funding is indeed in place. Ralph Hardy spoke to this issue and said that USHE has a policy where they determine if funds are in place to their satisfaction (a pre-appropriation policy). Board members expressed interest in working together with USHE to obtain certification in the future.

MOTION: Gordon Snow moved to approve the 2015 Other Funding Sources Certification for State-Funded Buildings as it relates to the six projects listed and that the Board move forward in establishing additional criteria for certification of projects in the future. The motion was seconded by Chip Nelson and passed unanimously.

Note: The six projects listed on the policy include:
Snow College – Science Building
Huntsman Cancer – Research Center
Dixie ATC – Permanent Campus
University of Utah – Crocker Science Center
Dept. Natural Resources – Great Salt Lake Nature Center
Utah State University – Clinical Services Building

□ REQUEST FOR APPROVAL FOR A BUILDING NAME CHANGE FOR THE DEPARTMENT OF CORRECTIONS

Rollin Cook, Executive Director for the Utah Department of Corrections explained the DOC is in the process of transforming their Fremont Community Correctional Center in West Valley City into a center for women who are struggling on probation or parole. In keeping with the center's mission, they would like to change the name of this facility to honor one of their criminal justice community champions: Judge Judith Atherton. The center would then be known as the Atherton Community Treatment Center. The DOC believes that in naming the facility after Judge Atherton, their employees at the center will be inspired by her example, while the women sheltered there will come to know there are people like Atherton who offer support, encouragement and hope.

MOTION: David Tanner moved to approve the name of the Fremont Community Correctional Center to the Atherton Community Treatment Center for the Utah Department of Corrections. The motion was seconded by Bob Fitch

and passed unanimously.

□ **REQUEST FROM THE UTAH NATIONAL GUARD TO REALLOCATE FUNDS FROM THE WEST JORDAN ARMORY OFFICE REMODEL AND WEST JORDAN RENOVATION TO THE WEST JORDAN ARMORY HVAC PROJECT**

Darek Sagers, Master Planner for the UNG and LTC Matt Branham explained this reallocation. The original scoped budget of \$500,000 for the West Jordan Armory HVAC Project is inadequate and requires additional funding in order to address some unforeseen issues at this 90,000 sf facility. The National Guard would like to reallocate \$850,000 from the West Jordan Armory Office Remodel and \$389,000 from the West Jordan Armory Renovation Project to compensate for this shortage of funding. These combined amounts of \$1.7 Million will adequately fund the HVAC Project. Federal funding will be requested to fund the Office Remodel and Armory Renovation Project in the future.

MOTION: -Fred Hunsaker moved to approve the Request from the Utah National Guard to Reallocate Funds from the West Jordan Armory Office Remodel and West Jordan Renovation to the West Jordan Armory HVAC Project. The motion was seconded by Bob Fitch and passed unanimously.

□ **REQUEST FOR APPROVAL OF LIFE SAFETY FUNDING TO ADDRESS RADON MITIGATION IN WATER SOURCES AT THE DWR FISH HATCHERIES**

DFCM Hazmat Manager Bob Anderson and Terry Howick DWR Aquatic Culture Program Coordinator explained radon testing has been conducted in the rearing rooms at the Egan, Glenwood, Midway and Fountain Green Hatchery facilities with future testing to take place at eight additional facilities. It was discovered that radon levels were three to four times the EPA action level and are exposing hatchery personnel while working in these rooms. Although radon seepage is usually through the floor (slab) of a building, it was determined that the elevated radon levels are coming from the water sources. The following steps and recommendations will be implemented:

- Where feasible, limit the amount of time spent in the rearing rooms. This will serve to minimize exposure to excess radon levels.
- Various mitigation techniques should be discussed and implemented to limit exposure to radon through water introduced into the building; such as a *Granular activated carbon (GAC) unit*, to trap radon and sediments; or *aeration*, by exposing the water to sufficient air so radon escapes to the air before the water reaches the destination.
- Update and increase current HVAC/ventilation systems at the rearing rooms to reduce radon concentrations.

Jeff Reddoor informed the Board that this request will be filled using supplemental funds from FY 15 Capital Improvement Funds. DWR request the following funding to address the problems.

Design for upgrades for 4 each hatchery rearing rooms (to include additional hatchery rearing rooms and buildings pending radon analysis)	\$85,000
Construction for upgrades for 4 hatchery rearing rooms	\$270,000

Radon analysis for 8 remaining hatchery facilities	\$40,000
Totals	\$395,000

Implementation of the above line items will detail Capital Improvement request by DWR for possible upgrades involving radon in future fiscal years.

MOTION: David Fitzsimmons moved to approve the Request of Life Safety Funding to Address Radon Mitigation in Water Sources at the DWR Fish Hatcheries. The motion was seconded by David Tanner and passed unanimously.

□ **UNIVERSITY OF UTAH'S REQUEST FOR APPROVAL OF THE RICE-ECCLES STADIUM MEN'S RESTROOM IMPROVEMENTS**

Mike Perez, Vice President of Facilities at the University of Utah explained the University would like to increase the number of men's restroom facilities at the north end of Rice-Eccles Stadium. This project will also improve much needed pedestrian circulation in this area of the stadium. The proposed budget is \$3.3 Million and will include 7,350 GSF of new reclaimed infill space. The NW and NE Corner improvements will include 88 water closets, 45 sinks, additional storage space, and the much needed widening of the west end of the north concourse to enhance movement in this area. There will also be upgrades to infrastructure to handle the new occupied space. Gates and perimeter fencing will be moved out to maximize foot traffic flow to and from the stadium in that quadrant and reduce points of congestion for fan egress from the stadium. A safety barrier between the patrons exiting and South Campus Drive and TRAX are also part of this project, thus channeling fans to an area designed for safe pedestrian crossing. The cost for this project, as well as O&M will be funded by University Auxiliary Services. The University is requesting authorization for design, bid and award of a construction contract.

MOTION: Chip Nelson moved to approve the University of Utah's Request for Approval of the Rice-Eccles Stadium Men's Restroom Improvements. The motion was seconded by David Tanner and passed unanimously.

□ **REQUEST FOR APPROVAL OF FY 16 CAPITAL IMPROVEMENT FUNDING**

Jeff Reddoor reported the Capital Improvement List is the culmination of several months of work to determine the highest priority needs across the state. All projects were scored under the new criterion which was adopted last year. This year the Legislature funded 1.1% for Capital Improvements however it was appropriated a little differently. The base amount of \$46,777,300 was funded along with \$64.7 Million of new appointed ongoing funds, totaling \$111.5 Million. This amount will fund 310 projects. There were two projects which were brought forward under classification #1 (Life-Safety Issues) and included the University of Utah Infrastructure and the Statewide Energy Metering Projects. Energy Metering will be overseen by the Board with institutions coming forward to present their energy projects. The overall amount of Capital Improvements resulted in a 61/39 split with \$61 Million appropriated to Higher Education and \$38.6 Million to state agencies.

MOTION: Fred Hunsaker moved to approve FY 16 Capital Improvement Funding. The motion was seconded by David Fitzsimmons and passed unanimously.

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

Ken Nye, Director of Business Services at the University of Utah reported their professional service agreements consisted of two design agreements and five planning/study/other agreements. Construction contracts consisted of four remodeling contracts and four site improvement contracts. There were no changes to the Project Reserve Fund during this reporting period. There was one large draw from the Contingency Reserve Fund which was the Science Area Chiller Plant Design and Distribution for \$126,076 to cover the capital improvement share of the cost of addressing a number of unforeseen conditions. The largest for \$93,136 consisted of modifications that were required for a vault near the Chemistry building that must be in a certain location to house three sets of major valves to tie into existing lines. This had to be constructed to allow a sanitary sewer line to go through the vault. The details of the design and construction requirements could not be determined until the site was excavated due to the number of utilities in the area. This was a 25 foot deep vault in a very congested area.

Ben Berrett, Director of Planning, Design and Construction at Utah State University reported there were three professional contracts and seven construction contracts this reporting period. There are currently 50 delegated projects which will be going up now that the capital improvement funding has increased. Page one shows three planning contracts for Master Planning for USU Bike and Pedestrian Plan; Lighting Design for USUE Library Atrium; and Master Planning for Be Well Program and Nursing Administration. Construction projects are on page two of the report. Notable for \$215,414 is a Medium Voltage Upgrade for a new duct bank and high voltage line which is the longest line on campus and services the housing facilities for north campus. The University will also be partnering with Logan City on some pedestrian lighting in this area as well with other utilities. The San Juan Hall Remodel is a Student Living Center housing project consisting of six to seven halls. One is renovated each summer with the last hall being completed this year. Contingency Reserve had a few small change orders. SB 2 called for the transfer of \$350,000 out of Contingency Reserve and moved to the Project Reserve. This helps balance the two accounts and is done periodically when needed. The Project Reserve had three additional transfer amounts which puts this fund in good order.

□ **ADMINISTRATIVE REPORT FOR DEPARTMENT OF TRANSPORTATION**

Kevin Griffin, Director of Maintenance for UDOT reported they have cancelled the Levan Station Salt Storage Building Project for this year. This project will be part of the Salt Storage Building List for FY 2016. UDOT has successfully advertised three additional projects during the last month:

I-15 MP 42 Salt Storage Building – located in an infield area where more than one station can utilize this location to optimize the snow plowing fleet.

Perry Port of Entry New Office Building – there was a delay in the design since there was not an adequate fire line at the existing facility and UDOT had to work with State Risk to obtain a waiver.

Wendover Port of Entry New Inspection Building – This building is similar to the Perry Port of Entry. It is a metal shell building which allows vehicles and inspectors shelter from the elements during inspections at the port of entry.

UDOT does not have a Contingency Reserve Fund. There was one change order this last reporting period for the Cedar City Office Remodel Entry for additional LED high efficiency lighting.

□ **ADMINISTRATIVE REPORT FOR DFCM**

DFCM Interim Director, Bruce Whittington reported DFCM processed ten leases during this reporting period – nine were renewals and one for new space. There were also 16 professional services agreements and 30 construction contracts. Nine of the construction contracts required the use of the Project Reserve Fund to award contracts. House Bill 6 authorized the transfer of \$6 Million total transferred from the DFCM Project Reserve Fund and Contingency Reserve Fund which shows a significant decrease in the balances. The Capital Development Contingency Reserve Fund, in addition to the funds that were transferred to the General Fund had transfers into seven projects that totaled \$835,000 and left a balance of \$3.5 Million. The Capital Improvement Contingency Reserve transferred monies out to 19 projects totaling \$302,000 in addition to the funds transferred through House Bill 6 and now leaves a balance of \$4.3 Million in this fund. The Capital Improvement Reserve Fund balance decreased by \$2.6 Million this period due to the House Bill with a \$4.2 Million balance in this fund. There are concerns with the Capital Development Reserve Fund which decreased by \$2.9 Million and has a balance of \$1.8 Million which is far lower than DFCM considers healthy. There is one project that recently bid under and will be adding to this fund. This Reserve Fund will be monitored very carefully. Chair Carnahan questioned a sizable change order for Southwest Applied Technology College. Mr. Whittington responded the change order was for \$481,000 however \$300,000 was for unforeseen conditions with the soils on the construction site.

□ **FUTURE AGENDA ITEMS**

Jeff Reddoor reminded the Board of the Business Meeting following the main session today. Changes from the implementation of SB 217 will be discussed. Chair Carnahan suggested to DFCM Capital Development Manager, Jim Russell that the Board would like to hear a follow-up report on the Space Standards at next month's meeting. In addition, Chip Nelson mentioned the Board had requested an Executive Summary on the audit report currently taking place. Jeff Reddoor said these quarterly reports will be provided shortly.

Chair Carnahan recognized Jeff Reddoor for 35 years of service to the state of Utah and presented him with a certificate of recognition.

The Building Board recessed at 10:36 am with the intent to reconvene for the Business Meeting at 11:00 am.

Utah State Building Board

Room 4112 State Office Building
Business Session

Members in Attendance:

Ned Carnahan, Chair
Chip Nelson
David Tanner
Gordon Snow
David Fitzsimmons
Fred Hunsaker
Bob Fitch

Guests in Attendance:

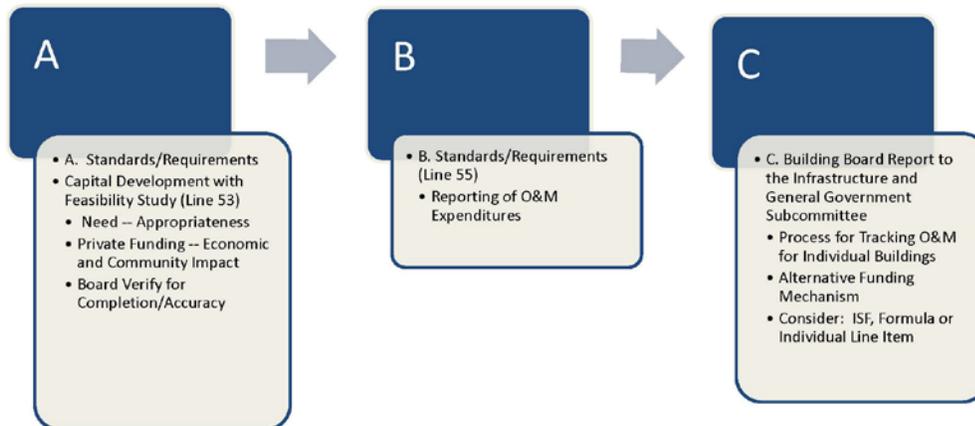
Matt Lund	Governor's Office of Management and Budget
Gage Froerer	Utah House of Representatives
Alan Bachman	Attorney General's Office
Nicole Alder	Attorney General's Office
Rich Amon	Department of Administrative Services
Bruce Whittington	Division of Facilities Construction and Maintenance
Jim Russell	Division of Facilities Construction and Maintenance
Cee Cee Niederhauser	Division of Facilities Construction and Maintenance
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Tiger Funk	Southern Utah University
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Charles Darnell	Utah State University
Steve Allred	Legislative Fiscal Analyst Office
Mack McDonald	Department of Human Services
Vicki Golie	Babcock Design Group

At 11:15 am the Board reconvened for lunch and a Business Meeting. Chair Carnahan called the meeting to order. Jeff Reddoor addressed the changes from SB 217 and explained the bill modifies the duties of the Board, addresses the processes by which the Board recommends and prioritizes Capital Development, requires a report related to operations and maintenance cost for all state buildings, and makes technical and conforming changes. Mr. Reddoor presented a process to address these items:

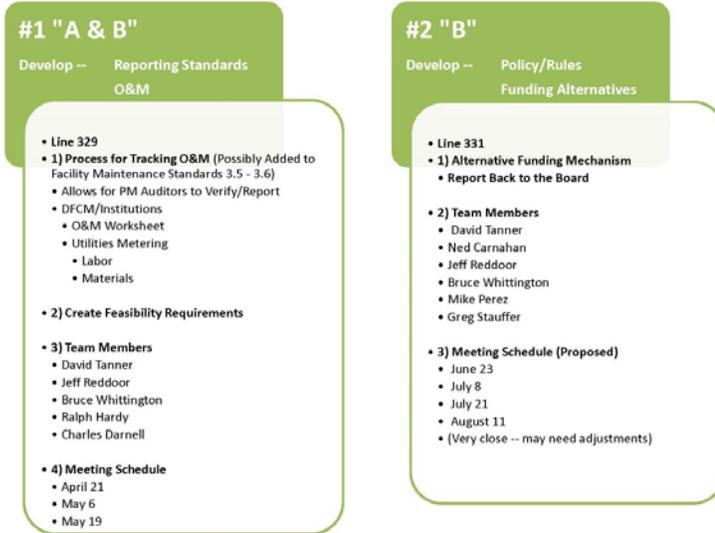
Building Boards Implementation Plan of Senate Bill 217

Intent Language
Board Certification of Other Funds
(Today's New Policy – Approved by the Board)

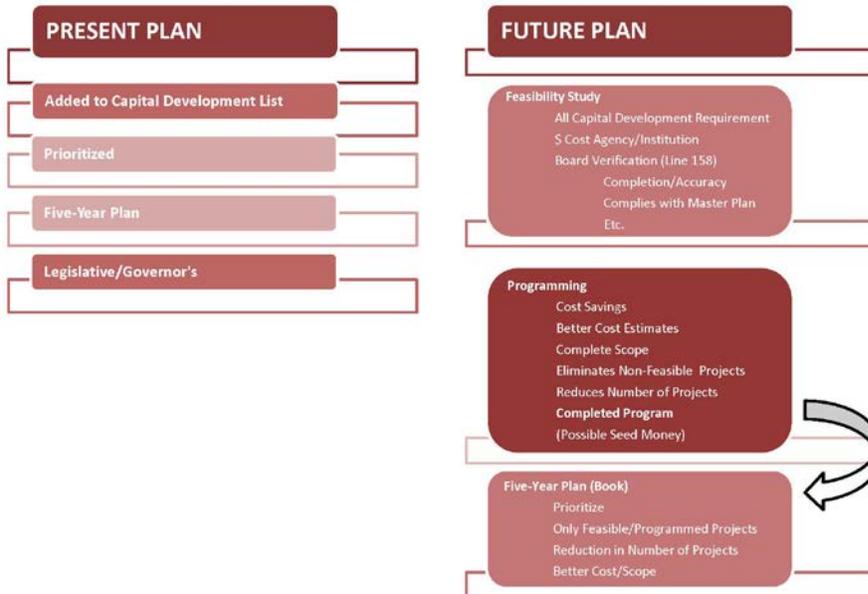
ADDITIONAL REQUIREMENTS



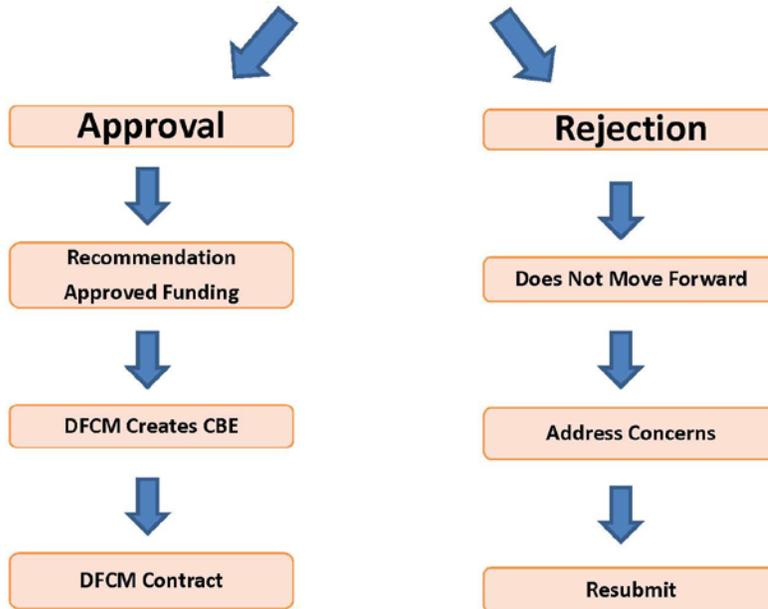
WORK GROUPS



SUGGESTIONS FOR IMPLEMENTATION



Building Board Processes



2015 New Standards/Policies

- Metering – Facility Maintenance Standards
- O & M – New Policy/FM's
- Capital Development Process – New Policy and Needs Statement Adjustments

Chair Carnahan opened the meeting for comments. Chip Nelson expressed concerns with a required feasibility study explaining that everyone will have different criteria for inclusion in the study. He suggested a template be used for institutions/agencies establishing requirements for the study before a project is presented to the Board. In addition, Mr. Nelson said the Legislature has a small amount of funds which are not appropriated each year. He expressed interest in the Board recommending smaller capital developments projects of high importance for this "left over" funding such as a capital development project that is under \$2 or \$3 Million. Gordon Snow also expressed concern with a feasibility study that is funded by an agency or institution. Credibility must be established as to how these studies are performed otherwise the study will be a worthless tool because every study will be feasible. There were comments the study would lead to phased funding. Historically once a building is programmed, it moves to the next phase which is not how the process should work. Mr. Reddoor explained "phased funding" addresses design and construction whereas programming can be separated and assists with the scope and cost estimates for the building. Jeff Reddoor said the standards must be written to address these concerns.

Chair Carnahan welcomed Representative Gage Froerer to the meeting. Representative Froerer expressed appreciation for the presentation and said that SB 217 acknowledges there are a few problems in our current system which should be addressed:

1. O & M – our current system may not be broken, but there are obviously some improvements that could be made. If after careful research and analysis, the Board finds the current system to be adequate, the IGG Subcommittee would like to know.
2. Capital Development – the Subcommittee felt the feasibility study should be the foundation of a new project. The Board is encouraged to provide a standard for this requirement. The Board should make the decision concerning which projects should advance.

Representative Froerer mentioned phased funding is not endorsed by the IGG Subcommittee however Legislators do have the ability to use supplemental appropriations for Programming. He agreed with Mr. Nelson that a possible separation of some of the smaller projects could be appropriate and of interest to the Subcommittee. In addition, the Subcommittee will be more focused on land bank requests next year in response to the present real estate market. The Board expressed concerns with Non-State Funded Projects and Representative Froerer said any time an agency/institution asks for state resources, they should follow set procedures and be accountable through the entire process whatever it may be. The IGG Subcommittee would like to see the Board come up with a process for addressing these concerns. Assistant Attorney General Alan Bachman referred to the "3 prong test" used for non-state funded projects which were addressed at the November meeting. Representative Froerer expressed appreciation to the Board for their work this year. Bruce Whittington expressed DFCM's support of the feasibility study established with set criteria which will provide for a stronger cost estimate and scope and lead to the evaluation of appropriate projects. Mack McDonald from Human Services commented that sometimes government services are not feasible and allowances must be made. He gave the example of a brain-damaged child in state care due to an ATC accident. This child cannot be housed with the general population due to violent tendencies and as a result no one else in the state can take care of him. This one child is housed in a 5,000 sf building

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with three nurses. The program that takes care of this child would not match any feasibility study, however, but it is service the state must provide. Exceptions must be provided for special programs.

At the conclusion of the meeting, Chair Carnahan directed these ideas move forward to the committees and return to the Board at a later date.

□ **ADJOURNMENT**

The meeting adjourned at 12:47 pm.