

Utah State Building Board



MEETING

June 5, 2013

MINUTES

Utah State Building Board Members in Attendance:

Ned Carnahan
David Fitzsimmons
Chip Nelson
Gordon Snow

DFCM and Guests in Attendance:

Alan Bachman	Office of the Attorney General
Kimberlee Willette	Governor's Office of Management and Budget
Juliette Tennert	Governor's Office of Management and Budget
Rich Amon	Department of Administrative Services
Jeff Reddoor	Division of Facilities Construction & Management
Cee Cee Niederhauser	Division of Facilities Construction & Management
Jim Russell	Division of Facilities Construction & Management
Bianca Shama	Division of Facilities Construction & Management
John Harrington	Division of Facilities Construction & Management
Rich Young	Division of Facilities Construction & Management
John Nichols	Division of Facilities Construction & Management
Wayne Christensen	Division of Facilities Construction & Management
Cheryl Searle	Division of Facilities Construction & Management
Bruce Whittington	Division of Facilities Construction & Management
Michael Smith	Division of Facilities Construction & Management
Dave Tanner	Southern Utah University
Ben Berrett	Utah State University
Malin Francis	Salt Lake Community College
Alyn Lunceford	Courts
Representative Gage Froerer	Utah House of Representatives
Ken Nye	University of Utah
Dean Taylor Randall	University of Utah
Troy D' Ambrosia	University of Utah
Jerry L. Basford	University of Utah
Barb Remsburg	University of Utah

Kim Johnson	MHTN Architects
Lt. Col. Matt Price	Utah National Guard
Captain Tyler Jensen	Utah National Guard
Captain Travis Larsen	Utah National Guard
Darek Sagers	Utah National Guard
Michael Norton	Utah National Guard
Bob Askerlund	Salt Lake Community College
Rick Stock	Sunrise Engineering
Tiger Funk	Southern Utah University
Kevin P. Hansen	Weber State University
Darin Bird	Department of Natural Resources
Robyn Pearson	Department of Natural Resources
Keith Davis	Department of Human Resources
Jerry Jensen	Department of Corrections
Jack Madsen	HKS Architects
Jeff Palmer	Layton Construction
Paul Morris	Dixie State University
Julie Attig	Reaveley Engineers
Gary Riddle	Corp. Real Estate Solutions

On Wednesday, June 5, 2013 the Utah State Building Board held a regularly scheduled meeting in Room 250 of the Utah State Capitol Building, Salt Lake City, Utah. Acting Chair Ned Carnahan called the meeting to order at 9:00 am. Information concerning the new Board members was not released from the Governor's Office in time for this meeting. As a result, Agenda Item #1, New Building Board Appointments, will be postponed until the July 10 meeting.

APPROVAL OF MINUTES OF APRIL 22, 2013

Acting Chair Carnahan sought a motion for approval of the minutes.

MOTION: David Fitzsimmons moved to approve the meeting minutes of April 22, 2013. The motion was seconded by Gordon Snow and passed unanimously.

NEW DFCM ORGANIZATIONAL MODEL

DFCM Interim Director, Rich Amon introduced Jeff Reddoor who has been assigned as full time staff to the Board. Alan Bachman will continue to provide legal support to the Board. DFCM recently had some internal changes which are focused on three main principles: transparency, accountability and partnership. These areas of focus, along with the Governor's challenge to improve Government efficiency by 25% over the next four years is the Department's commitment to that initiative. State statute outlines three main responsibilities for the Division: First, Space Use will be merged with the Facilities Program in order to provide more information on properties we maintain and lease as well as coordination of space use throughout the state.

Second, Energy will include focus on energy efficient buildings as well as utilization. Third, Partnership with our agencies which will include a more regional approach to project management while working with specific institutions and agencies within a region to build partnerships and resourcefulness. DFCM's critical role in the construction area is to make sure projects are completed on time and of best quality.

☐ RENAMING OF UNG BUILDING 9000 AT ARMY GARRISON CAMP WILLIAMS

Utah National Guard representative, Lt. Colonel Matt Price introduced Darek Sagers and presented the background information to the Board. In addition, he introduced Captain Travis Larsen and Captain Tyler Jensen who served in the same unit as Scott Lundell. Lt. Col. Price showed a video featuring former Governor John Huntsman, Jr. who was present in Afghanistan when Second Lieutenant Scott Lundell lost his life. Lt. Colonel Price explained the Second Lieutenant Scott Lundell lost his life due to an enemy ambush. His heroic actions saved the lives of his comrades who were outnumbered and under direct enemy fire. UNG would like to rename Building 9000 at Army Garrison Camp Williams and erect a plaque in honor of this fallen hero. The building will be renamed: 2LT Scott B. Lundell Readiness Center. National Guard leadership feels it very appropriate to remember soldiers who have been killed in direct combat since the events of 9/11. Honoring these fallen soldiers strengthens families, soldiers who served with them, and inspires leaders and future soldiers of their commitment to serve.

This was an informational item only, however Board members voted to show their support for this project.

MOTION: Chip Nelson moved to approve the Renaming of UNG Building 9000 at Army Garrison Camp Williams in honor of Second Lieutenant Scott Lundell. The motion was seconded by David Fitzsimmons and passed unanimously.

☐ APPROVAL OF REVOLVING LOAN FUND FOR DEPARTMENT OF HUMAN SERVICES/UTAH STATE HOSPITAL

DFCM Energy Director, Bianca Shama explained that the Department of Human Services and the Utah State Hospital in Provo have applied for a loan in the amount of \$18,233 to install three variable frequency drives to three existing boiler feed water pumps. These will reduce the amount of power consumption, increase life expectancy of the pumps and motor, and reduce the maintenance costs of boiler feed water valves due to the lower pressure that will be attained after the installation of the VFD's. The simple payback for this project will be approximately five and a half years. The annual cost savings will be \$3,266 and repayment will begin in the Spring of 2014. The estimated loan repayment schedule will begin in 2014 based on project completion date. The project will result in both significant energy savings and cost savings for the facility. Acting Chair Carnahan asked if this project will be tied to an existing energy management system and Ms Shama said that it would.

MOTION: David Fitzsimmons moved to approve the Revolving Loan Fund for the Department of Human Services/Utah State Hospital. The motion was seconded by Gordon Snow and passed unanimously.

☐ APPROVAL OF DNR FIRE CACHE BUILDING

Robyn Pearson, Deputy Director for the Department of Natural Resources addressed the Board. He reminded the Board they had approved an Interagency Fire Dispatch Facility in 2010 for DNR which was built on state land in Draper but funded by an appropriation from the federal government of \$3.2 Million from the Bureau of Land Management. There is interagency fire cooperation on behalf of the Forest Service (the state of Utah and the BLM) in fighting wild land fires which includes cooperation on dispatch and storage of fire supplies. They would like to complete this project with the construction of a Cache Building which will catalog and store all equipment jointly share with the three agencies. Mr. Pearson felt there would be concern with receiving approval for this project due to its close proximity to the Draper Prison. He reassured the Board that his agency had received approval from the Governor's Office. Chip Nelson asked if this is really an optimum location for this building. Mr. Pearson responded that this location is one of several fire dispatch facilities in the state. Adjoining each one of those buildings is a cache building used for equipment storage. The location has optimum access to the freeway and enhances the agency's ability to get equipment and resources immediately out to fires in all areas. Mr. Pearson informed the Board that DNR had constructed the Interagency Fire Dispatch Building at a cost savings of \$250,000. This year the Legislature approved an additional \$300,000 from their Forestry Fire Dedicated Account to complete the Fire Cache Building project – a total of \$550,000 for a 10,000 sq ft warehouse building. David Fitzsimmons confirmed that the cost was approximately \$55 a sq ft. Mr. Pearson explained this is a warehouse type building with lights and heat. Most of the interior shelving will be done by the three agencies using the building. Before voting, Acting Chair Ned Carnahan clarified the request from the DNR that they were asking for a reallocation of the \$250,000 from the Fire Dispatch Facility to be combined with the \$300,000.

MOTION: Gordon Snow moved to approve the DNR Cache Building and allow the reallocation of \$250,000 from the Interagency Fire Dispatch Facility for this project. The motion was seconded by David Fitzsimmons and passed unanimously.

☐ APPROVAL FOR USDC REALLOCATION FROM TLC TO EVERGREEN PROJECT

Keith Davis from the Department of Human Services explained they are requesting \$300,000 of the \$379,000 originally funded for the Utah State Developmental Center TLC Building mechanical upgrade be reallocated to the Utah State Developmental Center Evergreen Building and be used to complete that project. The remaining \$79,000 will be used for the design work on the TLC Building and give the Department a more accurate cost estimate for this project so that they can request adequate funding from the Legislature in the future (see attachment). The TLC, built in 1967, is the Transitional Living Center where services are offered to help

individuals transition to move back into the community. The Evergreen Building built in 1956, initially started out as a medical services building providing services for individuals on campus and includes a pharmacy and administrative offices. Acting Chair Carnahan confirmed that the TLC Building would be the Department's number one priority next year.

MOTION: Chip Nelson moved for approval of the Utah State Development Center, Department of Human Services Reallocation from TLC to Evergreen Project. The motion was seconded by Gordon Snow and passed unanimously.

☐ APPROVAL OF PLANNING AND DESIGN FOR UNIVERSITY OF UTAH LASSONDE LIVING LEARNING CENTER

Ken Nye from Facilities, along with Taylor Randall and Troy D'Ambrosia from the School of Business with the University of Utah presented this project to the Board. The Lassonde Living Learning Center is a collaborative endeavor between the Pierre Lassonde Entrepreneur Center and Housing & Residential Education. This new Capital Development project will be submitted to the Legislature during the next session. The goal of this endeavor is to design, build, occupy and open a new academic/housing facility which will house approximately 401 student residents and be the new permanent home for the Lassonde Center's innovation and support spaces. The University is requesting approval for programming and design to meet a completion date that coincides with the start of fall semester 2016. They have received prior approval from the University's Board of Trustees and the Board of Regents. The total budget for this project is \$45 Million. A total of \$15 Million has already been funded by donors and with the approval of the Legislature the balance of \$30 Million will come from a revenue bond with the debt serviced by housing revenues. Planning and Design will cost approximately \$1 Million and will be financed from these donated funds. The University will not seek state O & M Funding for this project. Chip Nelson expressed concern that the Building Board may be putting pressure on the Legislature to approve this project if they approved programming. Representative Gage Froerer agreed that could be a possibility. Gordon Snow expressed concern that an exact site had not been selected. Mr. Nye explained that the programming activity is not as site-dependent as the design activity. The University expects to have the site selection resolved by the time they have completed the programming in order to move on to the design work. David Fitzsimmons asked if a study had been completed that assessed the future impact of the building on traffic and infrastructure and if cost for future growth has been allocated for this structure. Mr. Nye explained they have anticipated the future growth on campus. Their feasibility study included the impact for utility costs for each site.

MOTION: Chip Nelson moved for approval of \$1 Million in private funds for the Planning and Programming for the University of Utah Lassonde Living Learning Center.

Board member, David Fitzsimmons asked if this motion implies that the University should have a site selected before they proceed with design and requested that Mr. Nelson amend his motion to include this. Mr. Nelson agreed to do so.

AMENDED MOTION: **Chip Nelson moved for approval of \$1 Million in private funds for the Planning, Design and Programming of the University of Utah Lassonde Living Center and that a site be selected before the University proceeds with the design of this facility. The amended motion was seconded by David Fitzsimmons and passed unanimously.**

Acting Chair Ned Carnahan welcomed Representative Gage Froerer and thanked him for attending the meeting.

☐ REALLOCATION OF FUNDS TO USU EASTERN LIBRARY BUILDING SOUTH ENTRANCE

Ben Berrett from Utah State University presented their reallocation request. The BDAC Building at USU Eastern, which houses their Athletic and Physical Education Department, originally was allocated \$297,173 for a fire system upgrade and campus irrigation system project. However a study revealed there were several issues of concern for this project. The canal water which would be used for the irrigation system contained too much silt to use for this purpose. They would need a settling pond and a silt removal system which required more area and maintenance. The canal company has future plans for silt removal in this canal sometime in the future but the University does not have a time frame for this work. They would like to reallocate the \$297,173 for a concrete replacement project at the Library Building South Entrance which includes replacement of the ADA ramp, existing stairs, top cap around the plaza retaining wall and other concrete in need of replacement in the area. Gordon Snow asked how much was originally allocated for this project. Mr. Berrett reported that approximately \$20,000 had been spent on the study so the original allocation was over \$300,000. The engineering study was not completely wasted because it addressed how the University would do a connection in the future. Mr. Snow asked if the Library project had been on the improvement list for the Price Campus for some time. Mr. Barrett said it had not been on the recent list but is identified in the ISIS study. The University is evaluating some of the issues on the list with updates. This reallocation will fund the improvements at the library but there are many concrete sidewalk issues across campus that needs to be addressed so the University will branch out with concrete replacements with this funding.

MOTION: **Gordon Snow moved for approval of the Reallocation of Funds to USU Eastern Library Building South Entrance. The motion was seconded by Chip Nelson and passed unanimously.**

☐ UNIVERSITY OF UTAH UTILITIES INFRASTRUCTURE PROJECT UPDATE

Ken Nye from the University of Utah provided a status on their infrastructure project. The University continues to need Capital Development and Capital Improvement funds to replace their utility infrastructure. The total amount for this project is \$99 Million. Previously the State Legislature allocated \$22 Million of Capital Development funding, \$13 Million of Capital

Improvement funding in FY 13; and \$7.5 Million of Capital Improvement funding in FY 14 – giving a total of \$42.5 Million allocated. Construction is underway but an additional funding request for the balance of the project -- \$56.5 million will be presented during the Capital Development process next year. Mr. Nye introduced Jim Russell, project manager from DFCM and Porter McDonough, construction manager from Layton Construction who gave a progress report on the infrastructure project. At the stadium substation, the heart of the University's electrical system, they have set the first of two high capacity transformers, structural steel, circuit breakers and other equipment to increase the station's size and capacity. This transformer will be energized the early part of August after which time work on the second transformer will begin with plans to energize in October. That will be the completion of the stadium portion of the project. The electrical distribution part of the project, which essentially is the backbone of this project, is progressing well with 25,000 linear feet new duct bank, replacement of 75 manholes and restoration of those areas. An additional area of distribution is a location by the stadium substation where they are putting two 48 inch caissons under the road to carry electrical conduit from the substation to campus. In addition, underground switches are being installed in above ground enclosures. Buildings on campus will be receiving service upgrades as part of this project and includes phasing out the 4160 and 7200 volt power service and upgrading them to a 12470 volt. In addition, they are upgrading the high temperature water system for campus. Gordon Snow reminded Mr. Nye that he thought half of the funding would be coming from revenue bonding because the University was planning to charge a rate increase to users in order to fund some of this project. He indicated the University's presentation today had not reflected this part of the plan. Mr. Nye said that was the University's proposal last year; however the Legislature did not approve that approach to funding. Representative Gage Froerer confirmed that the revenue bond was not approved. The Legislature felt that was a more expense route rather than through capital development or geo bonding. Basically the state wants to pay as they go on this project without unneeded debt. David Fitzsimmons asked if the project was on budget and had the scope of the project changed in any way. Mr. Russell said that phase I was a little over budget but overall they are in good shape and are on schedule.

□ 2013 LEGISLATIVE SESSION APPROVED DEVELOPMENT PROJECTS

State Building Board Manager, Jeff Reddoor presented the Capital Development Projects approved by the Legislature for FY 14. There were eight state funded projects which totaled \$95.3 Million and nine non-state funded projects which totaled \$132.85 Million. Chip Nelson questioned the half million that was allocated to Dixie State College for the purchase of the East Elementary Building. He remembered the purchase price was about approximately \$1.3 Million. Paul Morris from Dixie State reported they have a meeting scheduled with the school district on June 11th. They are trying to secure the property with a \$500,000 deposit. The plan is to escrow the \$500,000 with \$500,000 being escrowed for the next two years at which point the purchase will be complete. The title will remain in the school district's name until the final payment.

□ ADMINISTRATIVE REPORTS FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY

Ken Nye with the University of Utah reported for the two month time period. There was little activity during the reporting period of March 16 to April 12, 2013 which included three Design Agreements and four Planning/Study Agreements with nothing unusual at that time. Construction Contracts include two new Space Contracts, three Remodeling Contracts and three Site Improvement Contracts. There were no significant items on this portion. There were two contracts for the Student Life Center which were for the demolition of the Tanner Dance Building which DFCM asked the University to take care of. The Project Reserve Fund on page three does not show any activity as well as the Contingency Reserve. For the reporting period of April 13 to May 17, 2013 there were five Design Agreements and two Planning/Study Agreements with nothing unusual noted. Construction Contracts include one New Space Contract, eight Remodeling Contracts and two Site Improvement Contracts. There was nothing unusual here. Page three shows one decrease to the Project Reserve for \$32,000 for Campus Site Lighting Upgrade FY12 which is a Capital Improvement project. On page four there was a decrease of \$48,014 from the Contingency Reserve Fund for the Fletcher Physics Building Replacement of the Heating Water Pipe. This was needed to correct some deficiencies in the HVAC system that was identified as the contractor was trying to balance the system at the end of the project. Acting Chair Carnahan reminded the Board that if they had questions or needed additional information on the University Report to please contact Jeff Reddoor so that he can help the University prepare to address these issues.

Ben Berrett from Utah State University reported that there were three Professional Contracts issued this month – all were quite small which include an Emergency Generator, Building 620 Lab 231 Remodel, and Building 629 Lab 231 Remodel. There were ten Construction Contracts. Notable was USU Eastern CEIC Building Remodel for \$610,684 which is a building located close to the town of Helper and was a research project to make clean coke briquettes. This is mostly a laboratory equipment renovation for the research project. South Farm Transgenic Goat Barn for \$165,448 is one of three research projects to make spider silk out of goat's milk and require a specialized goat barn to do this research. The Health/LS/Code/Asbestos FY13 project for \$186,364 is for a renovation of their most heavily used bus shelter. There was also an Access Control FY13 for \$186,364 which was to install access controls on four doors at the research greenhouse. The last four miscellaneous contracts were all for asbestos abatement. Acting Chair Carnahan questioned the difference on the USU Eastern CEIC Building Remodel. The contract amount was for \$246,000 but the construction budget was for \$610,684. Mr. Berrett explained that additional amounts in the construction budget paid for equipment purchases. Mr. Berrett continued to report that there was one decrease in the Contingency Reserve Fund for \$19,792 which was a HVAC upgrade in an existing building to replace an air handler. The Project Reserve Fund had two increases to the fund for projects that closed and contributed to the fund. The Project Reserve is presently at \$326,745.29.

□ ADMINISTRATIVE REPORTS FOR DFCM

Jeff Reddoor introduced Mike Smith, the Facilities Condition Assessment Coordinator for DFCM

who will be working with Mr. Reddoor in producing a condition report for the Board. Mr. Reddoor reported there were three new leases and sixteen amended leases that have moved forward during this time period. In addition there were forty-three Architect/Engineering Agreements and seventy-seven Construction Contracts awarded. As you can see there was a large push to move forward with the construction projects during this spring/summer season. Pages 17 and 18 show the state wide Contingency Reserve Fund with increases from change orders and modifications. The Project Reserve has a little over \$6 Million which is a healthy balance for the beginning of the construction season.

ADJOURNMENT

MOTION: Chip Nelson moved to adjourn the meeting. The motion was seconded by David Fitzsimmons and passed unanimously.

The meeting adjourned at 10:37 am.