

Utah State Building Board



MEETING

July 11, 2012

MINUTES

Utah State Building Board Members in Attendance:

N. George Daines, Chair
David Fitzsimmons
Ned Carnahan
Gordon Snow
Ron Bigelow, Ex-Officio

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
Kimberlee Willette	Governor's Office of Planning and Budget
Rich Amon	Legislative Fiscal Analyst Office
John Harrington	Division of Facilities Construction & Management
Bianca Shama	Division of Facilities Construction & Management
John Burningham	Division of Facilities Construction & Management
Lynn Hinrichs	Division of Facilities Construction & Management
Bob Askerlund	Salt Lake Community Collage
Ken Nye	University of Utah
Ben Berrett	Utah State University
Mark Holt	Utah State University
W. Ralph Hardy	Commission of Higher Education
Alyn Lunceford	Courts
Gary Riddle	CBRE
Amber Craighill	BHB Engineers

On Wednesday, July 11, 2012 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 and noted that a quorum was present.

APPROVAL OF MINUTES OF JUNE 6, 2012

Chair Daines sought a motion for approval of the minutes.

MOTION: Ned Carnahan moved to approve the meeting minutes of June 6, 2012. The motion was seconded by David Fitzsimmons and passed unanimously.

APPROVAL OF REVOLVING LOAN FUND FOR SNOW COLLEGE

DFCM Energy Director, John Harrington, reported that Snow College has requested a loan in the amount of \$100,000. These funds will be used to do a re-commissioning project that will look to optimize the functioning of two buildings, resulting in up to 20% energy savings for the Humanities and Arts Building and the Noyes Administration Building. The payback for this project will be two years. Re-commissioning projects are very much like tuning up a car. Your car runs more efficiently when it is tuned and so does a building. A careful analysis is made to determine the best way to make a building more efficient. The result is a project with both significant energy and maintenance/labor savings. Presently, there is approximately one million dollars in the fund and the Energy Group anticipates this will be allocated within the next four months.

MOTION: Ned Carnahan moved for approval of the Revolving Loan Fund for Snow College. The motion was seconded by Gordon Snow and passed unanimously.

REALLOCATION OF CAPITAL IMPROVEMENT FUNDS FOR COURTS

Alyn Lunceford requested to reallocate unused funds from the Layton Courts HVAC project to the Davis County Courts HVAC project. Due to a favorable bidding climate, there was approximately \$175,000 savings from the Layton Courts HVAC Project. The Layton Courts project had two phases and estimates were based on engineer's estimates for the first half of the project in 2010 which had an extremely favorable bidding climate. The Farmington Courts Building Separation Project is approximately \$282,000 short on funding. With \$175,000 from the Layton Courts plus \$60,000 from Courts and some additional value engineering, they are confident they can get the project completed within budget. Director Gregg Buxton expressed his support for this reallocation.

MOTION: Ned Carnahan moved to approve the Reallocation of Capital Improvement Funds for Courts. The motion was seconded by David Fitzsimmons and passed unanimously.

ADMINISTRATIVE REPORTS FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY

Ken Nye, from University of Utah, reported the University had five design agreements and seven other types of agreements. Notable was item one, the Design of Furnishings and Equipment in the New Football Training Facility, which is held by DFCM. Construction Contracts on page two show a new contract for the University Guest House Camera System, with the balance of the contracts

being remodels or site improvements. The Project Reserve Fund on page three shows no activity this month. The Contingency Reserve Fund is on page four. Mr. Nye noted that the projects which were authorized by the Board a few months ago will take effect as of July 1, 2012 and the Contingency associated with those projects will show up on next month's report. There were two projects with significant decreases to the Contingency. The first being the FY11 HTW Line Replacement for \$66,600 to cover problems with an existing vault and duct bank with a different elevation than expected. The second was the HTW Zone 2 Pipeline Replacement for \$95,067 which had a number of unknown conditions including problems with buttresses in a foundation, which were not anticipated; and errors in the bidding documents, which involved purchasing of additional pipe. The Contingency shows a \$620,000 surplus, however the University feels this balance is appropriate because their current projects have higher Contingency demands. The summary of Contingency usage is indicated on page six. Director Buxton informed both U of U and USU that the Board would like to discontinue the University Quarterly Report and only require Monthly Reports since the information is duplicated.

MOTION: Chair Daines moved to approve the University of Utah Administrative Report. The motion passed unanimously.

Mark Holt, from Utah State University, was introduced to the Board. Mr. Holt is an Electrical Engineer and Senior Project Manager for the University and will occasionally give the USU monthly report in Ben Berrett's absence. Mr. Berrett reported there were eight professional and eleven construction contracts issued this month. Notable professional contracts were awarded to Method Studio, for the USU Eastern San Juan Residence Hall; Colvin Engineering, for Design on the Science Technology Chilled Water Loop; Method Studio, for the Master Plan of Former Trailer Court Site and Cache Landmark Engineering, for Parking Concepts on the Old Agricultural Science Site. Notable construction contracts on page two include Gramoll Construction, for the USU Eastern San Juan Residence Hall; Envision Engineering, for a Fire System Upgrade at the Price Campus; Astro Turf, for the Merlin Olsen Field Replacement this fall season; American Seating, for Classroom/Auditorium Upgrades; and Eagle Environmental, for an asbestos abatement during the Voice Over IP Upgrade replacing the phone system across campus. Page three shows the Contingency Reserve Fund with thirteen projects contributing to the fund, which are FY13 Capital Improvement projects. In previous years, when projects were opened, they contributed a standard percentage to the Fund. Presently, Contingency percentage is determined by the type of project which is anywhere from two to six percent. Decreases to the Contingency Reserve include demolition work for the Medium Voltage Upgrade, for \$3,521; and Code Compliance Upgrade of Hardware for the Facilities-SER Stairwell Doors for ADA Compliance, of \$1,947. Page six shows one project that closed and contributed \$18,000 to the Project Reserve Account.

MOTION: Ned Carnahan moved to approve Utah State University's Administrative Report. The motion was seconded by David Fitzsimmons and passed unanimously.

☐ ADMINISTRATIVE REPORT FOR DFCM

Kurt Baxter, Program Director for DFCM, said there were no significant lease items. There were twenty-one architectural agreements; the largest being the CM/GC contract for the University of

Utah Infrastructure Upgrade. There were twenty-three construction contracts. Notable was the UVU Student Life Center, awarded to Jacobsen Construction for \$45 Million. The Contingency Reserve Fund is presently at \$7.8 Million. The Project Reserve had very little change with \$2,400 awarded for the Utah National Guard Armory in Orem. Project Reserve totals are at \$5.7 Million. DFCM is confident that these amounts are sufficient for the number of projects they presently have.

☐ **TRAINING SESSION FOR BOARD MEMBERS**

At 9:40 am Chair Daines announced that the next portion of the meeting would be held in the DFCM Conference Room in 4110 State Office Building. The public was invited to attend. The training portion began at 9:55 am.

Utah State Building Board Members in Attendance at Training Session:

N. George Daines, Chair
David Fitzsimmons
Ned Carnahan
Gordon Snow
Ron Bigelow, Ex-Officio

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
Kimberlee Willette	Governor's Office of Planning and Budget
Rich Amon	Legislative Fiscal Analyst Office
David Williams	Finance CBA Director
Roger Faris	Finance Accountant, CBA Group

This session was an informal question and answer period with Board members discussing the following questions:

- Will the Board be promoting a system wide infrastructure initiative for this FY?
- It is apparent that the UofU will require additional funding to continue the infrastructure upgrade projects. Will a specific progress report be required prior to the priority session?
- How is DFCM currently assessing Higher Ed. Campus Infrastructures or within other State Department Facilities? Is the Board aware of the past ISES identification and prioritization programs? Is this working?

During this discussion, it was requested that a motion be made to have a closed session.

MOTION: Ned Carnahan moved to have the Board go to a Closed Session. The motion passed unanimously.

Attendees were invited to leave; however Building Board members remained in the meeting. After a

short discussion, a motion was made to return to the Training Session.

MOTION: Ned Carnahan moved to end the Closed Session and resume the Training Session. The motion was seconded by David Fitzsimmons and passed unanimously.

Chair George Daines stated that no action was taken in the closed discussion. It was a discussion about a project involving a particular individual in relationship to DFCM.

- The discussion concerning the ISES program continued after the session resumed
- Is it a function of DFCM staff to review the infrastructure capacities and age condition prior to setting capital or improvement funding budgets? At what point during the request is this done?
- Additional DFCM staff information or background regarding an agenda request or project would be useful.
- Is it the function of the Building Board to question the programmatic activity to be housed in a requested facility or is this more adequately reviewed as an administrative function such as the Board of Regents or other similar board?
- Can an agenda item, being presented by an institution during a board meeting, be tabled for additional information for the next scheduled meeting? Was this frequently done in past Building Board meetings?
- Will Higher Education and Applied Technology priority listings be available to Board members prior to the formal presentation/prioritization meetings?
- The question of O&M costs for requested capital or improvement projects are frequently answered by a statement of, "There will be no request for O&M funding for this project." Is it appropriate to gain more understanding from an institution as to where the O&M will be coming from?
- When informally meeting with other Board members, does a group of more than three constitute an illegal meeting? Under what conditions can an information discussion take place? Should the Board have short closed-door work meetings prior to the public meeting to review the day's agenda?
- Should a Board member welcome a solicitation from an Institution to visit a campus to discuss an upcoming agenda item?
- Should a Board member welcome telephone calls and solicitation for support of an upcoming Board Agenda item?
- To what depth should a Board member become informed, regarding an agenda item prior to the public meeting?

- What action is appropriate by the Building Board when a request for a replacement or improvement project, that is supported by a detailed engineering report indicating various types of problems rendering a facility to be failing or hazardous, is given a low priority by the administrative body such as Higher Education?
- If a Board Member is asked a question, by a member of the Legislature or a public official, regarding a Board posture on an agenda item or policy, how should it be answered?
- Has the issue of comparing the Higher Education FTE and the ATC Student Hours been resolved?
- Is it appropriate for the Board to ask an Institution to report on progress of a past funded project?
- Details of the Capital Development tour sites and how sites are selected.

After the question and answer session, David Williams, Finance CBA Director, explained specific parts of the DFCM Report. Board members asked questions concerning the Contingency Reserve and Project Reserve Funds. Mr. Williams explained that percentage amounts for the Contingency Fund are based on the number and type of projects, and the bidding climate during that time.

☐ ADJOURNMENT

MOTION: Ned Carnahan moved to adjourn the meeting. The motion passed unanimously.

The meeting ended at 11:53 am.