

Utah State Building Board



MEETING

November 2, 2016

MINUTES

Members in Attendance:

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

Guests in Attendance:

Jeff Reddoor	Utah State Building Board
Patricia Yacks	Department of Administrative Services
Eric Tholen	Division of Facilities Construction & Management
Bruce Whittington	Division of Facilities Construction & Management
Jim Russell	Division of Facilities Construction & Management
Cee Cee Niederhauser	Division of Facilities Construction & Management
Alan Bachman	Attorney General's Office
Debbie Kurzban	Attorney General's Office
Simone Rudas	Attorney General's Office
Rich Amon	USHE
Fran Pruyn	CRSA
Sid Pawar	AJC Architects
Joe Prudden	EDA Architects
Jim Nelson	Axis Architects
Jennifer Evans	Department of Human Services
Sherry Ruesch	Dixie State University
Richard Williams	Dixie State University
Paul Morris	Dixie State University
Eric Dunn	Dunn Associates
Jim Lohse	FFKR Architects
Kayla Farr	FFKR Architects
Jodi Geroux	FFKR Architects
Tracy Neale	GSBS Architects

Jeff Palmer	Layton Construction
Heather Knighton	MHTN Architects
Julee Attig	Reaveley Engineers
Malin Francis	Salt Lake Community College
Bob Askerlund	Salt Lake Community College
Dennis Klaus	Salt Lake Community College
Charles Lepper	Salt Lake Community College
Deneece Huftalin	Salt Lake Community College
Tim Sheehan	Salt Lake Community College
Tiger Funk	Southern Utah University
Tiffany Woods	Spectrum Engineers
Perry Hacker	University of Utah
Jerry Basford	University of Utah
Ken Nye	University of Utah
Jason Perry	University of Utah
Jerry Jensen	Utah Department of Corrections
Col. Tyler Smith	Utah National Guard
Larry Mullenax	Utah State Fairpark
Ben Berrett	Utah State University
Lori Haglund	Van Boerum & Frank
Derek Payne	VCBO Architects

On Wednesday, November 2, 2016, the Utah State Building Board held a regularly scheduled meeting in Room 250 of the Utah State Capitol Building, Salt Lake City, Utah. The meeting was called to order at 9:00 am.

☐ APPROVAL OF MINUTES OF FROM SEPTEMBER 7, 2016, OCOTBER 5, 2016 AND OCTOBER 6, 2016

Chair Carnahan asked for comments or corrections to the minutes.

- Mr. Fitzsimmons called for a correction to page 7, paragraph 3 of the September 7, 2016 Minutes. The minutes state “tighter disciplinary actions are needed” to be changed to “tighter estimating practices are needed”
- Mr. Nelson was the recommending vote for DWR’s Recirculation Aquaculture System Project on Page 3, Paragraph 1
- Mr. Nelson was the recommending vote for DJJS’s Salt Lake Multi-Use Youth Center Project on Page 5, Paragraph 2

MOTION: Mr. Hunsaker moved to approve the minutes from September 7, 2016 meeting with the corrections as noted above. The motion was second by Mr. Fitzsimmons and passed unanimously.

Mr. Tanner moved to approve the minutes from the October 5, 2016 and October 6, 2016 meetings. The motion was seconded by Mr. Snow and passed unanimously.

☐ REQUEST FOR APPROVAL OF DESIGN AND CONSTRUCTION OF THE LEGEND SOLAR STADIUM FOR DIXIE STATE UNIVERSITY

President Williams along with Paul Morris, VP and Sherry Ruesch, Director for Facilities reviewed

a presentation on the needs to have an updated stadium for sporting events. The Legend Solar Stadium project will be divided into two phases. The first phase, titled the East Side Grand Stand, will focus on improving the visitor's side of the stadium by adding locker rooms, bathrooms, concessions, sidewalks, and shading to the bleachers. The cost estimate for this phase is \$8.6M, which will be paid for through a bond of \$4.7M (part of the \$10M donation from Legend Solar), a \$1.5M donation from Washington County, and \$2.4M in institutional funds. O&M costs will be paid for with revenue from ticket sales, facility rentals, and concessions. The second phase will focus on completing the west side of the stadium. This phase is in the preliminary stages and funding is still being acquired.

Mr. Reddoor reminded the Board of the 3 criteria that classifies a project as non-state funded. The first criteria being that the agency/institution must give adequate assurance that no state funds are being requested for the design and construction of the facility. The second is that a revenue stream must be in place to fund O&M costs prior to the completion of the project. The final criteria is that the project is appropriate with the agency's/institutions master plan.

Mr. Snow requested additional details on the commitment of \$5M in solar savings. He would also like a time estimate on the second phase of this project and if payback is required for the Washington County donation.

Legend Solar has committed \$5M that will be distributed over 20 years in quarterly payments. The remaining \$5M will come from energy savings acquired from installing a solar power grid to the roof over the next 25 years. A combination of the two will be used to make bond payments for the project. Legend Solar has outlined in their contract with DSU that repair and replacement will be covered by Legend Solar. Fundraising for second phase is still in the preliminary stages, DSU projects that the second phase of the project will have an estimated cost of \$13-15M. DSU is exploring donation opportunities, such as naming rights to buildings and club house memberships. There is no payback required for the Washington County donation.

MOTION: Mr. Tanner moved to approve to design and construction for the Legend Solar East Grand Stand. The motion was seconded by Mr. Hunsaker and passed unanimously.

□ REQUEST FOR APPROVAL OF DESIGN AND CONSTRUCTION OF THE JORDAN CAMPUS STUDENT CENTER FOR SALT LAKE COMMUNITY COLLEGE

President Huftalin along with Chuck Lepper, VP of Student Affairs and Dennis Klaus, VP of Business Services reviewed a presentation for the need of a student center at SLCC's Jordan Campus. This campus is considered one of the three full service campuses for SLCC and offers a greater breadth of student services. The Jordan campus is 120 acres and has approximately 4,000 students. This campus also houses the health science program for SLCC. The goal is to centralize student services, which SLCC has successfully done at their Taylorsville campus. Funding for the new facility will be acquired through a bond paid with revenues from student fees. The SLCC executive cabinet, which is composed of students, has expressed interest for this project and voted in favor of using student fees to fund this project. SLCC is also exploring the option of purchasing an existing building adjacent to the Jordan campus as opposed to building new. The purchase price for the existing building \$18M and will require extensive renovations. The estimated cost for renovations is approximately an additional \$20M.

Mr. Reddoor stated that the Board should focus on the original request that SLCC presented, which was to build a new facility on their campus.

Mr. Nelson is interested in the percentage of services that will be dedicated to academic support, as this could qualify the project to be funded using state dollars. Mr. Nelson would like to see a cost comparison of building a new facility on the campus versus purchasing the adjacent property and renovating. Mr. Snow requested further explanation as to the need of a student center at the Jordan Campus, specifically in regards to close proximity of the student center offered at the Taylorsville Campus, which is approximately 20 minutes from the Jordan Campus via bus shuttle.

MOTION: Mr. Snow moved to table this request until the December Board meeting. The motion was second by Mr. Nelson and passed unanimously.

❑ REQUEST FOR APPROVAL OF DESIGN AND CONSTRUCTION OF THE UNIVERSITY GUESTHOUSE EXPANSION FOR THE UNIVERISTY OF UTAH

Ken Nye, Director of Facilities along with Jerry Basford, Associate VP and Perry Hacker, Director of the University Guesthouse reviewed a presentation on the needs to expand the current guesthouse. The project would be funded through a \$8.25M bond paid for with revenues from the guesthouse. In 2012 the guesthouse went under an expansion, which added 45 beds, raising the total to 180 beds. As the hospital grows, so does the need for patient lodging. This expansion would add an additional 30-35 rooms with a portion of the rooms having kitchens for long term stays and meet ADA accessibility requirements. The parking lot will also be renovated to accommodate approximately 25 additional parking spaces

Mr. Nelson inquired about other nearby hotels. Mr. Hacker stated that there is a Marriott near the campus, which the guesthouse has a close relationship with, however the Marriott is located off campus. Patrons of the guesthouse are able to take a shuttle to the hospital. The Marriott's hospital rates fluctuate depending on demand and are limited to a number of rooms daily. The guesthouse does not change their hospital rates and they are applicable to any available room.

Mr. Fitch inquired on the occupancy rate over the past year. Mr. Hacker stated that on average occupancy is approximately 74%. However, last month occupancy was at 100% nearly every day and that there is certainly an occupancy need to expand the property. Mr. Fitch also requested information on the profitability of the guesthouse. Mr. Hacker stated that the guesthouse has certainly been a profitable operation over the past 17 years and that excess revenue has been used to help lower student housing fees. The guesthouse is able to operate on its own and no requests for funding from the University of Utah have been made.

MOTION: Mr. Hunsaker moved to approve the design and construction of the University Guesthouse. The motion was seconded by Mr. Fitzsimmons and Mr. Nelson and passed unanimously.

❑ UTAH STATE UNIVERSITY: FUNDING CERTIFICATION FOR INTERLOCKING CROSS-LAMINATED TIMBERS BUILDING

Ben Barrett from the Utah State University presented a funding certification letter from President

Albrecht stating that funds are in place for the design phase of this project. The letter also states that no funds for construction, O&M, or capital improvements will be requested from the State. USU has committed not to move forward with the construction phase of this project until all funds for the project are in place.

MOTION: Mr. Hunsaker moved to approve the design of the Interlocking Cross-Laminated Timbers Building The motion was seconded by Mr. Tanner and passed unanimously.

☐ AMENDMENTS TO RULE 23-3 PLANNING, PROGRAMMING REQUESTS FOR CAPITAL DEVELOPMENT PROJECTS AND OPERATION AND MAINTENANCE REPORTING FOR STATE OWNED FACILITIES

Mr. Reddoor recommends that the Board approve the amendments to R23-3. The majority of the amendments focus on O&M expenditure reporting, which is a result of SB 156 that passed in the 2016 Legislative Session.

Additional amendments are being considered and will be brought forward at a later time. R23-3 is amended to state that the deadline for reporting is October, however considerations are still being made as to whether this is the best timeframe. Phased funding and how programing is incorporated is also still under consideration.

MOTION: Mr. Tanner moved to approve the Amendments to Rule 23-3 with the intent that they go into effect if no comments are received during the 30-day period. The motion was seconded by Mr. Fitch and passed unanimously.

☐ AMENDMENTS TO DFCM RULE 23-30 STATE FACILITY ENERGY EFFICIENCY FUND

Mr. Reddoor recommends the Board approve the amendments to R23-30 which provides the procedures for managing the State Facilities Energy Fund and implementing the associated revolving loan program. The amendments to R23-30 require a method for monitoring actual savings from energy efficiency measures. In addition, DFCM is required to submit annual reports to the Governmental Operational Interim Committee of the Legislature and some rule language was clarified.

MOTION: Mr. Hunsaker moved to approve the Amendments to Rule 23-30 with the intent that they go into effect if no comments are received during the 30-day period. The motion was seconded by Mr. Fitzsimmons and passed unanimously

☐ FIVE-YEAR REVIEW OF RULE 23-32 RULES OF PROCEDURE FOR CONDUCT OF UTAH STATE BUILDING BOARD MEETINGS

Mr. Bachman advised that there are no recommended changes to R23-32. No comments or concerns have been received over the past five years. Mr. Bachman recommends that a 5-Year Review Notice be filed for R23-32.

Mr. Snow expressed concern with R23-32-4 Composition of the Board. Building Board policy was changed to remove the DFCM Director from the Board. However, that change was not reflected in statute. Mr. Snow believes it is beneficial to have the DFCM Director serve as a member of

the Building Board. Mr. Reddoor provided a brief explanation that the intent of the separation was to allow the DFCM Director to focus on the design and construction aspect of projects and less on the political aspect.

Mr. Bachman suggested the review notice be filed at this time. Specific concerns with R23-32 will be addressed with the new DAS Executive Director, after one has been appointed. The Board will revisit this in an upcoming meeting.

MOTION: Mr. Tanner moved to file a 5-Year Review Notice for Rule 23-32. The motion was seconded by Mr. Nelson and passed unanimously.

❑ ADMINISTRATIVE REPORT FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY

Ken Nye reviewed the Administrative Report for the University of Utah. Mr. Nye reported that there were 34 Professional Services Agreements were awarded.

- Project 21468; Orson Spencer Hall Replacement Project. This building has been renamed to the Carolyn and Kem Gardner Building. Groundbreaking for the project occurred last week. The CM/GC contract was issued for pre-construction services only. The balance of the construction costs will be added by change order.
- Project 21642; HTW Pipeline Replacement Final Phase. This transfer of \$157,724 covers the amount (2.34%) by which the construction bid exceeded the construction budget for this FY16 capital improvement project.

There were two transfers into the Project Reserve Fund, totaling approximately \$7,600. Decreases to the fund include \$157,724 from Project 21642; HTW Pipeline Replacement Final Phase (as stated above).

There is an increase of \$1.7M into the Contingency Reserve Fund. A decrease to the fund for Project 21552; Art & Architecture Fume Hood & Fire Protection Upgrade. The decrease of \$10,218 covers the cost of relocating a new VFD from its designed location to address fit and noise considerations.

Chair Carnahan inquired if the Board had any questions on the Administrative Report for the University of Utah. No questions were brought forward.

Ben Berrett reviewed the Administrative Report for Utah State University. Mr. Berrett reported that 6 professional contracts and 18 construction contracts were issued.

- Roosevelt Education Center – Old Café will be converted into a student lounge and reception center

There is an increase to the Contingency Reserve Fund in to amount of approximately \$169,000 for the USUE Geary Theatre Upgrade. A decrease to the fund for change orders to the North Core Utilities Replace and Tunnel Expansion in the amount of approximately \$41,000.

There were no decreases to the Project Reserve Fund and one increase in the amount of \$1,925 to close the NFS Mechanical System Project.

Chair Carnahan inquired if the Board had any questions on the Administrative Report for the Utah State University. No questions were brought forward.

❑ ADMINISTRATIVE REPORT FOR DFCM

Eric Tholen, DFCM Director presented the Administrative Report. The report is from August 15, 2016 to October 15, 2016. It is typical to see a spike in oncoming projects during this time. 51 Professional Services Agreements were issued. In addition, 59 Construction Contracts were issued.

Notable contracts:

- Item 1, Fairpark Days of 47 Rodeo Arena and Item 42, USU Life Science Building are both CM/GC agreements. The initial award amount of these contracts are low and the balance of the construction costs will be added by future change orders.
- Item 19, Browns Park Field House Reroof and Item 21, Fairpark Showring Building Roof Replacement. These project came in higher than the budgeted amount. Additional unallocated roofing funds were used for the award.
- Item 33, Rio Grande Bldg. Window and Door Renovations. Construction costs came in over budget and were covered using project reserve funds. Item 44, DOT Station 2425 Replace Plumbing/Paving. Additional unallocated paving funds used for award.

Capital Development started period with \$6,262,338 and ended with \$8,396,376, with 5 transfers to projects totaling \$344,409 and 5 transfers to the fund for \$2,478,448.

Decreases include:

- U of U Infrastructure Improvements: Transfer of \$105,285 covers the State's share of change order #22
- Salt Lake Schools for the Deaf and Blind New Building: Transfer of \$71,095 to cover change order #12

Capital Improvement started period with \$4,811,162 and ended with \$6,980,203, with multiple transfers to projects totaling 287,171 and multiple budgeted contingency transfers of \$2,456,212 to the fund.

Decreases include:

- Snow College South Washburn Bldg. Exterior Fenestration Window: Transfer of \$43,155 to cover change orders #1 and #2
- DOT Richmond Station Replace Water Line: Transfer of \$29,493 covers change order #3

Development project reserve fund had one transfer to project for \$132, ending balance of \$2,865,347 and Improvement project reserve fund had one transfer to the fund of \$7,097 and 4 transfers out totaling \$40,724, ending balance of \$4,737,474.

❑ FUTURE AGENDA ITEMS

The Board will revisit R23-32 Rules of Procedure for Conduct of Utah State Building Board Meetings. The 2017 Building Board Meeting Schedule will be presented in December's meeting.

☐ ADJOURNMENT

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

The meeting adjourned at 11:19 am.