

# Utah State Building Board



## BUSINESS MEETING

May 2, 2018

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### MINUTES

#### **Members in Attendance:**

Ned Carnahan, Chair  
Jeff Reddoor, Director  
Lisa Barrager  
Joe Burgess  
Miranda Jones  
Mike Kelley  
Joe Ligor  
Wendell Morse  
Chip Nelson

#### **Guests in Attendance:**

Patty Yacks	Building Board
Tani Downing	Department of Administrative Services
Nick Radulovich	Department of Administrative Services - DFCM
Jim Russell	Department of Administrative Services - DFCM
Darrell Hunting	Department of Administrative Services - DFCM
Dave Williams	Department of Administrative Services - DFCM
T.J. Zafiratos	EDA Architects
Nina Lawson	Reaveley Engineers
Brittany Punjabi	Spectrum Engineers
Ken Nye	University of Utah
Ben Berrett	Utah State University
Charles Darnell	Utah State University
Rich Amon	Utah System of Higher Education

On Wednesday, May 2, 2018, the Utah State Building Board held a business meeting in the Centennial Room of the Utah State Capitol. The meeting was called into order at 11:15 A.M.

#### **□ DISCUSSION ON CAPITAL IMPROVEMENT FUNDING FOR FURNISHINGS**

The Board heard Utah State University's (USU) request, presented by Mr. Darnell, to change Guideline #13 of the Capital Improvement Policy, which states that, "The purchase, repair and

replacement of movable furnishings and equipment are not eligible for capital improvement funding.” USU has seen an increase in the use of non-fixed classroom furnishings and movable furniture in student congregational areas. USU has also received requests to remove fixed furnishings from existing classrooms due to changes in teaching approaches. While fixed classroom furnishings may be replaced using Capital Improvement funds, movable furnishings may not be replaced or purchased new. It is becoming routine to modernize aged campus classrooms with CI funding, only to reuse dilapidated movable furnishings in the newly renovated spaces. USU would like the Board to consider the following change to Guideline #13:

*An institution may use Capital Improvement funds to purchase fixed or movable furnishings in need of replacement if its primary purpose is for instructional or student congregational use in classroom buildings. The cost of these furnishings must be included within the institution’s 20% Capital Improvement allocation made available for remodeling. Student instructional uses include classrooms, libraries, testing centers, computer and other types of laboratories, design, marketing, or art studios, charrette studios, and student-oriented congregational areas in instructional buildings.*

This request was presented at the last UAPPA meeting. Facility Directors expressed their support regarding the flexibility of this proposed change while understanding that each institution experiences a different set of the deferred maintenance. The Board expressed mixed views on the proposed change. Some are in favor for the flexibility this would give in institutions for instructional operations. There are concerns that this proposed change may negatively affect existing deferred maintenance. It is also important to consider that this change in policy would also apply to State agencies. The Board will consider this request for additional discussion and the potential for scheduling floor time during a future Board meeting.

**❑ DFCM/UNIVERSITY OF UTAH/UTAH STATE UNIVERSITY: DISCUSSION ON PROJECT PERCENTAGE OF FUNDS TRANSFERRED TO RESERVE**

Director Reddoor led a discussion on creating a benchmark that the Board can use to measure a potential excess in the Capital Improvement Reserve Fund for DFCM, University of Utah, and Utah State University, with the understanding that it is important to maintain a healthy reserve. The intent of creating this benchmark is to feedback what would be determined as excess funds to additional projects listed on the deferred maintenance list. Currently there are considerations to measure excess by an established percentage or dollar amount. Mr. Williams stated that DFCM currently uses a \$5M benchmark in reserves to identify potential excess; however, this benchmark currently encompasses both capital development and capital improvement reserves. The Board will work with DFCM, University of Utah, and Utah State University in developing a benchmark.

**❑ CBE REVIEW FOR BOARD MEMBERS**

Chair Carnahan and Director Reddoor reviewed Capital Budget Estimate (CBE) documents for both capital development and capital improvement requests with the intent of informing and familiarizing new Board Members.

**❑ CAPITAL REQUEST CALENDAR REVIEW**

The Board reviewed the Capital Request Calendar document for FY2020 requests. The document was created in collaboration with the Utah System of Higher Education and the Department of Administrative Services – Division of Facilities Construction and Management. This document, along with other request materials, will be emailed to agencies and stakeholders within the next few days.

**❑ UPDATE ON 63A-5 REWRITE FROM ASSISTANT ATTORNEY GENERAL MIKE KELLEY**

Mr. Kelley informed the Board that he is currently revising 63A, Chapter 5 with the intent of updating operational duties. Mr. Amon expressed that as part of the revision, it would be beneficial if the processes for Non-State Capital Development Requests, State-Funded Capital Development Requests, and Capital Improvement Request were clearly identified under a separate heading. Mr. Kelley is working with DFCM on proposed revisions to lease procedures.

**❑ REVIEW DFCM PROJECTS WITH PROGRAMMING FOR THE UPCOMING YEAR**

Director Reddoor informed the Board of the capital development requests that have been programmed, as this information will be beneficial for the prioritization process.

- Utah Department of Agriculture and Food: William Spry Building Replacement
- Department of Heritage and Arts: Artifacts and Arts Collections Management Facility
- Division of Juvenile Justice Services: Salt Lake Multi-Use Center
- Dixie State University: Science Building
- Utah Valley University: Business Building
- Weber State University: NORDA Engineering & Applied Science Building
- Utah National Guard: Nephi Readiness Center

**❑ ADJOURNMENT**

The meeting adjourned at 1:00 P.M.