

Utah State Building Board



MEETING

February 1, 2017

MINUTES

Members in Attendance:

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

Guests in Attendance:

Jeff Reddoor
Tani Downing
Ken Hansen
Patty Yacks
Eric Tholen
Jim Russell
Cee Cee Niederhauser
Alan Bachman
Debbie Kurzban
Jennifer Evans
Sid Pawar
Vicky Golie
Frances Pruyn
Jim Bosserman
Heather Knighton
Malin Francis
Scott Wyatt
Marvin Dodge
Tiger Funk
Donna Law
Tiffany Woods
Joseph Demma
Ken Nye
Larry Mullenax
Ben Berrett
Bruce Daley

Utah State Building Board
Department of Administrative Services
Department of Administrative Services
Department of Administrative Services
Division of Construction and Facilities Management
Division of Construction and Facilities Management
Division of Construction and Facilities Management
Attorney General's Office
Attorney General's Office
Department of Human Services
AJC Architects
Babcock Design Group
CRSA
Davis Applied Technology College
MHTN Architects
Salt Lake Community College
Southern Utah University
Southern Utah University
Southern Utah University
Southern Utah University
Spectrum Engineers
UCAT
University of Utah
Utah State Fairpark
Utah State University
Weber State University

On Wednesday, February 1, 2017, the Utah State Building Board held a regularly scheduled meeting in the Main Conference Room of the Department of Agriculture Building, in Salt Lake City, Utah. The meeting was called to order at 9:00 am.

☐ APPROVAL OF MINUTES OF FROM THE DECEMBER 7, 2016 MEETING

Chair Carnahan asked for comments or corrections to the minutes from the December Building Board Meeting. No comments or corrections were brought forward.

MOTION: Mr. Nelson moved to approve the Minutes from the December 7, 2016 Meeting. The motion was seconded by Mr. Hunsaker and passed unanimously.

☐ UTAH STATE FAIR PARK: NAMING OF THE NEW ARENA TO DAYS OF 47 ARENA

Mr. Beattie, Chariman of the Utah State Fair Corporation and Mr. Mullenax, Executive Director of the Utah State Fair Park, reviewed a presentation for a naming request. Contributions for the New Arena have been received from several private and public sector organizations, one of the them being the LDS Church, which has committed \$3M towards the New Arena project. The Utah State Fair and Days of '47 Rodeo have honored Utah traditions and pioneer heritage for over 100 years. The Utah State Fair Corporation, along with support from the Days of 47' Rodeo and the LDS Church, request that New Arena be named the Days of '47 Arena to continue to honor and preserve Utah's pioneer heritage.

Before the name request can be approved the Utah State Fair Corporation and the Days of 47' Rodeo must reach an agreement on the usage of the Days of 47' Rodeo trademark and a formal operating agreement acceptable for both parties. Mr. Mullenax stated that both of these items should be resolved within the next 10 days.

MOTION: Mr. Snow moved to approve the naming of the New Fair Park to Days of 47 Arena. This motion is contingent on an agreement between the Utah State Fair Park Corporation and the Days of 47' Rodeo (a non-profit corporation) for both trademark usage rights and an established formal operating agreement. The motion was second by Mr. Tanner and passed unanimously.

Mr. Mullenax gave a brief update on the new arena and provided pictures. He stated that the project is 33% complete, which is still on track to be completed on July 1, 2017. The Grandstands are expected to be completed in March. The project is staying within budget, which is \$14.5M.

☐ APPROVAL OF FIVE YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION FOR RULE R23-1, PROCUREMENT RULES WITH NUMBERING RELATED TO THE PROCUREMENT CODE

Mr. Bachman presented R23-1, which is due for Five-Year Review, to the Board. He noted that R23-1 was reviewed and amended on March 3, 2015. No comments or changes have been received on R23-1. Mr. Bachman informed the Board it is likely that changes to the procurement code will be implemented as an outcome of the current legislative session. These changes should become available sometime this summer. Mr. Bachman recommends that the Board approve the Five-Year Review of R23-1 at this time.

- MOTION: Mr. Hunsaker moved to approve the Five Year Notice of Review and Statement of Continuation for Rule R23-1, procurement rules with numbering related to the procurement code. The motion was second by Mr. Nelson and passed unanimously.**

- APPROVAL OF FIVE YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION FOR RULE R23-19, FACILITY USE RULES**

Mr. Bachman presented R23-19, which is due for Five-Year Review, to the Board. He noted that R23-19 was reviewed on August 7, 2014. No comments or changes have been received on R23-19. The AG's office will continue to monitor the legislative session for any potential changes. Mr. Bachman recommends that the Board approve the Five-Year Review of R23-19 at this time.

- MOTION: Mr. Snow moved to approve the Five Year Notice of Review and Statement of Continuation for Rule R23-19, Facility Use Rules. The motion was seconded by Mr. Ftizsimmons and passed unanimously.**

- APPROVAL OF FIVE YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION FOR RULE R23-20, FREE SPEECH ACTIVITY**

Mr. Bachman presented R23-20, which is based on a rule adopted by the Capitol Preservation Board. R23-20 went through an extensive comment period involving several interested groups. No comments or changes have been received for R23-20. Mr. Bachman recommends that the Board approve R23-20 as is, in order to remain consistent with the Capitol Preservation Board, which governs free speech at the State Capitol.

MOTION: Mr. Tanner moved to approve the Five Year Notice of Review and Statement of Continuation for Rule R23-20, Free Speech Activity. The motion second by Mr. Fitzsimmons and passed unanimously.

- DFCM: RECOMMENDED ALTERNATIVE BUILDING STANDARDS FOR UNIVERSITY HOUSING PROJECTS**

Mr. Reddoor offered an introduction for this item. He stated that this item is to review how current design standards are applied to student housing projects and to find ways that these standards may be modified to reduce costs. Currently, design standards require that student housing facilities be constructed to meet a 50-year lifespan. This standard results in a higher cost of construction, which may have an adverse effect on student fees.

President Wyatt of Southern Utah University stated that student housing will typically always be more expensive in comparison to private sector housing, due to the specialty services found in on-campus housing (dedicated staff, student relations assistance). However, current design standards are significantly increasing the cost of construction for student housing. These costs are then transferred back to the universities and may potentially result in higher student fees. The overall objective of this review is to look at alternative design standards in regards to student housing. Mr. Nelson is in agreement that the current 50-year lifespan can be reduced. However, he is concerned that relaxing the standard may negatively impact private sector housing. Most Universities have an advantage over the private sector, one of these advantages is acquiring land. It is important to consider the private sector and avoid undercutting their efforts as new standards are being developed.

Mr. Tholen stated that DFCM is also in agreement developing less restrictive design standards specifically in regards to student housing. He is committed to develop a committee composed of stakeholders from higher ed. institutions, the Board of Regents, professional engineers and

architects, and private sector developers with the goal of modifying the standard, potentially to a 20 to 30-year lifespan for these buildings.

MOTION: Chair Carnahan developed a motion that DFCM move forward in establishing a committee which will be responsible for drafting new design standards specifically related to student housing. The Board will review the draft in 90 days, most likely during the May meeting.

There was continued discussion amongst the Board members on how these new standards may impact the private-sector, as approval will be implemented state-wide for all future student housing projects. Obtaining feedback from the private sector is critical in developing new standards. This group will be tasked with defining why a shorter building lifespan is in the best interest of the State, keeping in mind that it is standard practice to renovate, rather than tear down buildings.

AMENDED

MOTION: Chair Carnahan amended his motion to the following; DFCM will return to the March meeting with a recommendation of members that will serve on a team to review and recommend a new set of design standards specifically related to Higher Ed student housing projects. This team will be tasked with performing a cost production analysis that will allow for a 25 to 30-year standard. Proposed changes to current design standards will be brought forward for review and potential approval in the May meeting. The motion was seconded by Mr. Nelsen and passed unanimously.

❑ ADMINISTRATIVE REPORT FOR THE UNIVERSITY OF UTAH & UTAH STATE UNIVERSITY

Mr. Nye with the University of Utah reported that 9 Professional Contracts and 8 Construction Contracts were issued. The most significant project to report on is the Moran Eye Center Expansion, which has a budget of approximately \$3M. The design and CM/GC contracts for this project has been awarded. There are no changes to the Project Reserve Fund and no increases to the Contingency Fund. There is a decrease to the Contingency Fund in the amount of \$150,033. This transfer covers several unforeseen conditions in regards to installing a chiller plant in the Field House building, the most substantial being the removal of heavily reinforced concrete, approximately 2 feet deep. It was also necessary to enhance the structural support for the retaining wall between the road and the sidewalk.

Mr. Nelsen requested that the University of Utah keep the Board informed on the MED/Rehab expansion. Mr. Nye reported that construction for the Ambulatory Care Center is being bided out through the CM/GC process and will begin in the next few months. The budget for this phase of the project is \$131M. There was a delay in construction due to the discovery of a trunk line owned by Century Link, which needed to be removed. The design phase for the MED/Rehab Hospital component is well underway. Programming is almost complete and the CM/GC will be selected tomorrow morning.

Mr. Reddoor requested a reminder on how much time remained on the U of U's debt service. Mr. Nye reported that they are currently three years into a ten-year term. Mr. Reddoor also requested an update on the utility infrastructure upgrade project. Mr. Nye reported that this project is well

underway. This project is being managed primarily through DFCM.

Mr. Berrett with Utah State University reported that there were no Professional Contracts awarded, which is rare. However, 11 Construction Contracts were awarded during this period. He noted that the Kaysville Building Addition, which is located at the USU Kaysville Botanical Center was delayed to allow Davis County to locate some of their extension offices in this facility. Mr. Barrett stated that this partnership with Davis county provides an excellent usage for the space; as the parking lot, conference rooms, and restrooms aren't heavily used by USU during the earlier portion of the day. There are 3 decreases Contingency Reserve Fund which are the result of change orders issued for the Tunnel Expansion and Utility Upgrade project on the USU campus. There was no activity to report on the Project Reserve Fund.

Chair Carnahan asked Mr. Berrett to expand on Item 7 of the Construction Contracts, titled Bike Racks Site Furn FY17. Mr. Berrett reported that this project is intended to upgrade outdoor bike structures that are rusting and to add additional structures due to an increase of bikes on campus.

Chair Carnahan asked both Mr. Fitzsimmons and Mr. Hunsaker if they had any questions or recommendations for the University of Utah or Utah State University. None were brought forward.

□ ADMINISTRATIVE REPORT FOR DFCM

Mr. Tholen, DFCM Director, presented the administrative report for DFCM. There were no significant items on the Lease Report. 36 Professional Agreements and 40 Construction Contracts were issued.

Construction Contracts:

- Item #29, Southwest ATC Roofing and Rooftop Units Replacements
 - Approximately \$160K in funds from the unallocated roofing used for contract awards
- Item #32, University of Utah Health Sciences Campus Transformation
 - This is a CM/GC agreement in the amount of \$59K. The balance of the construction costs will be added by future change orders.
- Item #38, State Hospital Energy Metering Campus-wide
 - \$54K of Project Reserve funds were used to award this contract

Contingency Reserve Fund:

Capital Development started period with \$7,821,579 and ended with \$7,173,931, with 7 transfers to projects totaling \$647,648.

- CUCF 192 Bed Pod Expansion
 - This transfer of \$306,907 covers change order #16. This project is at 92% completion and will begin closing out.
- University of Utah Crocker Science Center at the George Thomas Building Renovation
 - This transfer of \$173,824 covers the State's share of change orders #2,5,6,7, and 8.
- Salt Lake Center, Utah Schools for the Deaf & Blind
 - This transfer of \$45,390 covers change order #15. This project is also nearing completion and will begin closing out.

Capital Improvement started period with \$6,947,848 and ended with \$6,356,774, with multiple transfers to projects totaling \$636,660 and four transfers of \$45,586 to the fund.

- Wasatch Youth Center Security & Intercom System Replacement
 - This transfer of \$43,415 covers change order #1
- Ogden Juvenile Court Facility Remodel
 - This transfer of \$42,008 covers change orders #1 and #2.

Project Reserve Fund Activity:

The Project Reserve Fund had three transfers for this period totaling \$2,000,000, had an ending balance of \$1,285,856 and Improvement project reserve fund had five transfers from the fund totaling \$827,050, ending balance of \$4,639,384

Mr. Tanner asked what DFCM is doing to inform agencies of the rising cost of construction (in regards to both labor and materials) when projects are being considered. Mr. Tholen stated that the DFCM Project Management Group is receiving ongoing training to inform agencies. Mr. Tanner also inquired what portion of design has been awarded to FFKR for the University of Utah Hospital Project. Mr. Russell stated that the award of approximately \$4.5M to FFKR is for the design of two of three buildings, which are the ACC and Rehab buildings.

OTHER INFORMATIONAL ITEMS

Mr. Reddoor took a few moments to update the Board on some informational items:

- The delegation of the Developmental Centers has shifted from DHS to DFCM. DFCM will oversee the O&M for both facilities
- Capital Improvement recommendations have been completed. The list is published in the Five Year Book. Funding for Capitol Improvements is projected to be approximately \$119M, which reflects a 1.1% (or \$1.24M) increase. 700 projects were reviewed. 336 projects were approved for funding.
- Mr. Reddoor and Chair Carnahan will be presenting to the IGG on the Capital Development projects for FY18. The top 8 projects will be highlighted.
- All DAS Divisions have been asked to develop performance measurements that will be placed into statutory language. The Building Board has purposed two measurements; the first is to improve the percentage of O&M expenditures collected on an individual building level, and the second is to begin completing space utilization evaluations.

FUTURE AGENDA ITEMS

Mr. Reddoor informed the Board that there will be a Business Meeting held after the March or April Board meeting to review any legislation that may impact the Board.

☐ ADJOURNMENT

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

The meeting adjourned at 10:26 am.