

# Utah State Building Board



## MEETING

February 2, 2011

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## **MINUTES**

### **Utah State Building Board Members in attendance:**

Mel Sowerby, Chair  
Cyndi Gilbert  
George Daines  
Sheila Gelman  
Jeff Nielson  
Wilbern McDougal

### **DFCM and Guests in attendance:**

Gregg Buxton	Division of Facilities Construction & Management
Cee Cee Niederhauser	Division of Facilities Construction & Management
John Nichols	Division of Facilities Construction & Management
Brett Jones	Jones & Associates
Jared Johnson	Brigham City
Paul Larsen	Brigham City
Cynthia Ramina	Ascent Construction
W. Ralph Hardy	Office of the Commissioner of Higher Education
Gregg Stauffer	Office of the Commissioner of Higher Education
Darrell Hart	Utah State University
Ken Nye	University of Utah
Mike Perez	University of Utah
Lauren Huber	FFKR Architects
Keith Davis	DHS
Lisa-Marie Jensen	AJC Architects
Tricia Pilny	Psomas

On Wednesday, February 2, 2011 the Utah State Building Board held a scheduled meeting at the Library for the Blind and Disabled, Rooms 218-219, Salt Lake City, Utah. Chair Mel Sowerby called the meeting to order at 9:03 a.m.

**☐ APPROVAL OF MINUTES OF JANUARY 5, 2011 .....**

Chair Sowerby sought a motion for approval of the minutes.

**MOTION: George Daines moved to approve the meeting minutes of January 5, 2011. The motion was seconded by Cyndi Gilbert and passed unanimously.**

**☐ CAPITAL IMPROVEMENT REQUEST – ROAD COST PARTICIPATION, BRIGHAM CITY .....**

Mel Sowerby indicated that this item was on the January Building Board Agenda and the Board requested Brigham City to return with more information. Brett Jones, Engineer for Brigham City displayed a map of the area and pictures of the flooding and spill way which occurs at the retention basin during certain storms (See Minutes p. 8 and 9). Some of the flooding situations actually allow water to creep closely to Hansen Chevrolet's building. Over the years, Hansen Chevrolet has requested this problem be resolved. Mr. Jones indicated that this retention basin has capacity for an average water flow. However, when there are successive storms, the water does not have time to percolate into the soil and can overflow and flood the area. Brigham City has three proposals for the Board to consider. These proposals refer to the map and the area highlighted in yellow. Mr. Jones indicated that 450 West was completed up to this point on the map which is approximately 1100 South. One option would be to complete this corridor that is currently under construction. Therefore, their request is for about \$30,000 for improvements to the road indicated in yellow and approximately \$20,000 to convert the retention basin to a detention basin which will resolve the flooding. Mr. Jones indicated that there are other options which would be more expensive. The second option would be to relocate the basin (which is indicated in blue on the map). The third option is everything shown in red on the map, which would minimize the size of the project and catch the western flows on the property. This option would pipe the water across 1100 South and across Medical Drive to an area that would contain the additional capacity in an existing basin downstream. Brigham City is requesting help from the State on the \$50,000 cost. Mr. Jones indicated their preference was to use the least expensive option which would leave additional options for the future. Chairman Sowerby asked if there were future plans to extend 450 West into the Perry Subdivision. Mr. Jones said at one time there was a proposal to extend the road into the subdivision, however it has not transpired. There is a possibility it could happen at a future date. Chairman Sowerby said that until the road is extended, there would not be an appreciated value on the present retention basin property. He agrees that the less expensive option would be best. George Daines questioned when that area is developed

and 1200 South is eventually extended, will Brigham City need to redo the detention basin at that point? Mr. Jones indicated no, not the entire facility. They did check some storm drain calculations for the basin. They concluded that because the basin was built for retention and is slightly oversized for detention, it would continue to serve its purpose.

**MOTION: George Daines moved to approve option one for Capital Improvement Request – Road Cost Participation for Brigham City. The motion was seconded by Cyndi Gilbert and passed unanimously.**

**☐ PROJECT DELEGATION OF CAPITAL FACILITIES ON BRANCH CAMPUSES AND USTAR FACILITIES .....**

Gregg Buxton, Director of the DFCM explained they were assigned by the Board to meet with Utah State University and University of Utah and come to a consensus regarding project delegation of capital facilities on branch campuses and USTAR facilities. Last week DFCM and University representatives met and agreed that because the Universities were doing O & M on USTAR projects, delegation authority would be extended to them to also do improvement work on the facilities. This seemed appropriate since the Universities, who were the facility operators, were willing and best suited to do the building improvements. The other portion of their assignment concerning delegation of capital facilities on branch campuses was not decided. Director Buxton said they would continue to study and report to the Board concerning this issue at a later date. Chairman Sowerby expressed concern about giving the Universities delegation over USTAR buildings since his understanding was that USTAR was a separate entity. He requested that Assistant Attorney General, Alan Bachman, clarify this issue. Mr. Bachman felt that USTAR should be contacted concerning this decision, but certainly the Building Board can state its position. Currently the Administrative Rule, concerning USTAR, talks about the “across the board delegation on their respective campuses” and a USTAR facility is on their respective campuses so this is consistent with the rule. He reminded the Board that the “across the board delegation” has a dollar limit and he interpreted the rule to mean that the same dollar limit applies to USTAR and non-USTAR facilities on campuses. Director Buxton clarified that the Universities are currently doing the maintenance in the buildings which is called O & M and now they will be doing improvements to the building. The reason for concern is that frequently research teams move in and out of the buildings, and as a result require some remodeling of the facility. If it is minor remodeling, the project will be managed by the University, however if the cost is projected to be beyond the delegation limit, which is \$2.5 Million, then the Building Board will be asked to make the decision. Jeff Nielson asked if the Universities would be competing for monies given to other projects. Director Buxton clarified that the actual research team moving into the building would provide the funding for improvements and would coordinate this with the USTAR group. Director Buxton said that Ted McAleer, Director of USTAR attended the meeting with the Universities and was a part of the decision making process. He gave his approval for the delegation and felt it would work best. Cyndi Gilbert asked how USTAR projects would be reported to the

Board. Director Buxton clarified that the project would be included in the University Administrative Report.

**MOTION: George Daines moved to approve the Building Board’s delegation of USTAR facilities to university campuses, subject to the same existing structure involving university projects, limits, reports and etc. The motion was seconded by Cyndi Gilbert and passed unanimously.**

Director Buxton said DFCM and the Universities will complete their research concerning project delegation of capital facilities on branch campuses and try to have additional information to the Board by the next meeting.

**❑ ADMINISTRATIVE REPORTS FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY .....**

Ken Nye from University of Utah stated the time period covered by this report was shorter and combined with the Christmas holiday season created a much shorter and condensed report. During the previous month they had three design agreements, three remodeling contracts and one site improvement contract. There was nothing unusual with any of the agreements. They did not have any transactions in the Project Reserve Fund or the Contingency Reserve. He asked for any questions.

**MOTION: Cyndi Gilbert moved to approve the Administrative Report for University of Utah. The motion was seconded by Sheila Gelman and passed unanimously.**

Darrell Hart gave the Administrative Report for Utah State University and indicated their report would also be brief. They had two professional contracts and four construction contracts issued. Page three of their report shows several change orders. The University was rebuilding the fly systems for the two theaters and incurred some problems with the structural members in the ceiling which required some additional work to provide proper support. The \$15,000 change order reflects the problems they had in the two theaters. The University currently has 53 projects -- one of which is now completed. They had 17 that were substantially completed with 24 in construction and eight in the design phase with three pending. He asked for any questions.

Director Gregg Buxton asked about the percentage of delegated projects completed. Mr. Hart responded all of their delegated projects were complete except one obligation which involved a transformer that was on order and should be there next week.

Chairman Sowerby asked if the University was able to solve all their problems with the fly system. Mr. Hart said they have a total of three theaters, two of which have new fly systems. The Lyric Theater, downtown is in such disrepair that they have had to close it.

They expect it will probably require over a million dollars in structural work before they can begin work on the fly system in that building. However, the fly system is actually a very small portion of the work needed in these very complex theater buildings.

**MOTION: Cyndi Gilbert moved to approve the Administrative Report for Utah State University. The motion was seconded by George Daines and passed unanimously.**

Director Buxton asked Ken Nye to report on the Capital Improvement projects that were funded last year. Mr. Nye reported that they expect all their projects to be under contract by the April Building Board meeting. A number of their projects have been going through the design process with the expectation of bidding them this month and moving forward to have them under contract by April. They want to do the work in the spring so they are moving forward with this goal.

**☐ ADMINISTRATIVE REPORT FOR DFCM.....**

Kurt Baxter from DFCM reported there were no significant lease reports or architectural items. There were ten construction contracts awarded and details are reported on pages three and four. There were no significant contracts but wanted to note that Item #6, the USU Regional Campuses and Distance Education Building was awarded to Gramoll Construction. It is a small award of \$19,000 because it is a CM/GC agreement with the overall budget of \$7.6 Million, which will be done by change order through the CM/GC process. The Contingency Reserve Fund, reported on page five, has \$14.5 Million and they have had several decreases due to new construction. Among them were Dixie, Ogden-Weber, Salt Lake Community College and others; however the Contingency continues to be very healthy. The Project Reserve Fund stands at \$18 Million and Director Buxton indicated it is likely that approximately \$12 Million would be moved from the Fund for capital improvements this year if approved by the Legislature. The Project Reserve Fund has not experienced a lot of increases because this is a slower time for construction. Many of the projects that would normally have contributed to the fund are not completed; therefore these monies must be present in case there are unforeseen conditions on a project which require extra funds. Chairman Sowerby asked Mr. Baxter if the reduced balance of \$6 Million in the Project Reserve Fund was a comfortable amount. Mr. Baxter responded that was a comfortable amount considering the number of projects in the field right now.

Chairman Sowerby had a question regarding the State Hospital Central Plant Boiler Burners Replacement. Why is the State Hospital doing this project and was it an emergency? Keith Davis from Human Services stated that replacement of the boiler burners was partially funded with emergency funds. The problem exists because the manufacturer had discontinued the specific burner needed. Director Buxton asked Mr. Davis if there was a way a less expensive repair could be made until they could determine

if the State Hospital would be funded this year. Mr. Davis replied they were presently working on the project with a retro-fit to the upgraded burners. The boiler will be operational as soon as the burners are in. This was not a repair they could delay.

Chairman Sowerby asked Director Buxton to give the Board an update on the current Legislative session. Director Buxton said non-state funded projects will be presented to the Infrastructure and General Government Appropriations Subcommittee on Friday, February 5<sup>th</sup> at 8:00 a.m. in room 445 in the Capital Building. Yesterday the state-funded projects were presented to the Subcommittee. Only the top six projects on their ranking list were heard due to limited funding this year. The State Hospital project is ranked number one again and there seems to be more indications this project may obtain funding this year. There has not been a lot of information concerning bonding or funding of projects at this point. DFCM would not be informed of these decisions until the Subcommittee meeting on February 8<sup>th</sup>. During this time the Subcommittee will designate budgets for DAS, DFCM and Capital Facilities. They understand that HB 7 passed which cut the DFCM Energy Program. However an agreement was made that these funds would be replaced with one-time funding for this year only. The following year, the Energy Program would be funded with energy rebates and loan payments. These payments would be put in a dedicated credit fund which would then fund the State's Energy Program. There was a rumor that the Legislature would not approve any non-state funded projects this year because of capital improvements. The Legislature feels that if the state can't afford to maintain the buildings they presently have, they should not continue to build more at this point. That is an issue the Subcommittee is discussing with the Chairs. There are several bills DFCM has been following concerning contractor licensing, liens, and electronic messages during committee meetings. Just for information, there are over 900 new bills filed this year. Chairman Sowerby asked if the change in Energy funding will affect on-going projects. Director Buxton clarified that the change in the DFCM Energy Program would not take place until the new fiscal year in July. The program was starting to collect administrative fees from ARRA Funds. They expect to have about \$150,000 collected by July, 2011 which is about half the Energy budget. Chairman Sowerby expressed concern that Universities were planning on rebates for some of their current energy projects and the problems this loss would create for them. Director Buxton indicated that some of the energy rebates would be taken away. However there was a dedicated credit with the USTAR Building at the University of Utah for about \$620,000 and with Utah State for about \$80,000. John Harrington, Energy Manager at DFCM may request the return of those funds, however it would be money well spent. If the Legislature terminates the Energy Program, this will be the end of all energy projects in the state; therefore they have to fund the program before they can fund the projects. Darrell Hart from Utah State University asked if the Energy Program would be expecting the return of funds distributed by the utility companies. Mike Perez, from the University of Utah asked if the Universities would receive their portion of the rebate and Director Buxton indicated they would. In the case of the Universities, the rebate was 70/30 and so the Universities would receive 30 percent. This was not certain and John Harrington would be able to provide the exact percentage.

Director Buxton express appreciation to Building Board members for their service and sacrifice to travel long distances, attend meetings and serve on the Board. He reminded members that Governor Herbert was very aware of their work and appreciated their efforts. Chairman Sowerby told board members that during yesterday's Infrastructure and Government Operations Subcommittee Meeting, Representative Gage Froerer and Senator Stuart Adams expressed their gratitude as well.

**□ ADJOURNMENT .....**

**MOTION: Chair Sowerby asked for a motion to adjourn. Cyndi Gilbert moved to adjourn the meeting at 9:37 a.m. The motion was seconded by George Daines and passed unanimously.**



