



Gary R. Herbert
Governor

Utah State Building Board

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MEMORANDUM

To: Utah State Building Board
From: Jeff Reddoor
Date: September 4, 2013
Subject: **Approval of Minutes:
July 9, 2013, Training Session, Amended
July 10, 2013 Board Meeting
August 21, 2013 Business Meeting**

Attached for your review and approval are:

- 1) Amended Minutes of the Utah State Building Board Training Session on July 9, 2013;
- 2) Minutes of the regular Utah State Building Board Meeting held July 10, 2013;
- 3) Minutes of the Utah State Building Board Business Meeting held prior to the Capital Development Tour on August 21, 2013.

JR: cn
Attachments

Utah State Building Board Training Session



July 9, 2013

AMENDED MINUTES

Utah State Building Board Members in Attendance:

Ned Carnahan
David Fitzsimmons
Chip Nelson
Bob Fitch
Fred Hunsaker
David Tanner

Guests in Attendance:

Alan Bachman	Office of the Attorney General
Ed Lombard	Office of the Attorney General
Michelle Houry	Office of the Attorney General
Matt Lund	Governor's Office of Management and Budget
Rich Amon	Department of Administrative Services
Kim Hood	Department of Administrative Services
Jeff Reddoor	Utah State Building Board
Cee Cee Niederhauser	Division of Facilities Construction & Management
Lynn Hinrichs	Division of Facilities Construction & Management
Jerry Jensen	Department of Corrections

On Tuesday, July 9, 2013 the Utah State Building Board held a training session in Room 4112 of the Utah State Office Building, Salt Lake City, Utah. The meeting was called to order at 9:00 am.

WELCOME AND INTRODUCTION OF BOARD MEMBERS

DAS Deputy and DFCM Interim Director Rich Amon welcomed existing and new Board members to the training session. After attendees and Board members introduced themselves, Mr. Amon announced the order of items on the agenda. He noted that Statutory Responsibilities would be the third agenda item so that Alan Bachman could leave in time for other meetings.

❑ OPEN AND PUBLIC MEETINGS

Paralegal, Ed Lombard from the Utah Attorney General's Office gave a presentation concerning the Open and Public Meeting Act. There was discussion concerning:

Declaration of Public Policy (52-4-102)

Open and Public Meeting Act

What does the open meetings act do?

Who is and is not subject to this law?

What is a meeting? (52-4-103(5)(a))

What does a meeting not mean? (52-4-103(5)(b))

What is a Quorum?

Attendance at meetings ((52-4-207)

Notice requirements (52-4-202)

Closed meetings (52-4-201 – 204 – 205)

What is forbidden during a closed meeting?

What about emergencies? (52-4-202)

Record of open meetings (52-4-203)

What are the requirements for keeping minutes of open meetings?

What are the requirements for keeping minutes of closed meetings?

Minutes and recordings of open meetings (52-4-203(4))

Electronic message transmissions (52-4-210)

What happens if someone violates OPMA?

There was additional discussion concerning business meetings for the Board defined by law as work sessions, violations of meeting notifications, cancellation of meetings and electronic meetings.

❑ ETHICS CODE AND CONFLICTS OF INTEREST

Alan Bachman, Assistant Attorney General assigned to DAS distributed R67-16-1, the Utah Public Offices Employees Ethics Act. Portion of this are addressed in the Governor's Handbook for Boards and Commissions. The reference to public officer in this document does include Building Board members. Major provisions discussed include: Section 67-16-4 Protected information obtained as a Building Board member cannot be used for private gain. This includes insider information as well. Mr. Bachman advised the Board that in order to be safe, do not accept anything worth more than ten dollars from anyone who has an interest in the Building Board. Many situations should be talked about on a case by case basis. Mr. Bachman encouraged Board members to contact him with any questions. In terms of the Ethics Act, there is a \$50 limit in terms of value which should be non-pecuniary. Mr. Bachman referred to the Procurement Code. In section 102, the purpose of the Procurement Code is to ensure the equitable treatment of all persons who deal with the procurement systems of this state. If Board members are invited to participate in a selection committee for procurement, then this code would apply. Parts of the code are being rewritten, however to be cautious, he advises not to accept anything if you are involved in a selection committee. Mr. Bachman briefly explained a few administrative rules that apply to the Building Board which were as follows: R23-3-1 Planning and Programming for Capital Projects, R23-3-9 Development and Approval of Master Plans, R23-6 Value Engineering and Life Cycle Costing, R23-10 Naming of State Building, R23-24 Capital Project Using Non Appropriated Funds, R23-9 Across the Board Delegation, R23-29-11 Design Criteria, and R23-32 Conduct of Building Board Meetings. In addition, there was

discussion concerning bribery statutes, anti-trust laws, transparency for Board members and GRAMA.

STATUTORY RESPONSIBILITIES

Rich Amon led a discussion concerning the statutory requirements for the Building Board and the role and responsibility of Board members. He indicated his support for Governor's Herbert's initiative to improve efficiency. He outlined the organizational changes recently made in the Department:

- 1) That there be a clear distinction between DFCM and the Building Board. The statute defines the Building Board to be the policy making and decision making entity and should be a resource for the Legislature.
- 2) DFCM should be about space use for state agencies and construction for agencies and institutions with the goal of accountability, transparency and partnership.

The Legislature has delegated a new assignment to the Board. This assignment includes:

- ✓ Prepare a master plan of current or future structures
- ✓ Submit a 5 year building plan
- ✓ Provide standards for design and construction
- ✓ Provide approval of building projects that are non-state funded
- ✓ Delegation of projects
- ✓ Make loans from the State Facility Energy Efficiency Fund for energy projects

Mr. Amon explained Senate Bill 2 which requires DFCM to evaluate their prioritized scoring process for Capital Improvements and come up with a process similar to what the Transportation Commission uses to prioritize highway capacity projects. In addition Senator Wayne Harper sponsored a piece of Legislation that changes building funding so that it includes O & M for the life of the building up front when a building is funded. In addition 1.1% of the cost of the building will now be placed in a fund for capital improvements. State statute now requires a 20/80 split in Capital Improvement money so that 20% is spent on Capital Development and 80% on Capital Improvements so that the focus is on maintaining state buildings rather than building new facilities. The discussion continued on the prioritize list of Capital Development projects that are presented to the Legislature each year, site visits, acquiring informational reports from institutions and DFCM, the process of requesting funds, and facility condition assessments and audits.

FIVE YEAR BOOK

Jeff Reddoor explained that a Master Plan will be prepared and presented in the Five Year Book. This information will be provided to members of the Board and members of the Legislature before the beginning of the Legislative session. The Five Year Book provides valuable detail on every proposed state building project for Agencies and Institutions. Board members should be familiar with projects in the Five Year Book

CALENDAR

Jeff Reddoor explained the calendar for proposed changes to the Capital Improvement Process.

- 1) May/June – Notification given to Agencies and Institutions to begin developing their prioritized list for the upcoming cycle
- 2) August/September – Prioritized Improvement Requests are received

- 3) September/October – Verification of List of projects for appropriateness and proper priority classification
- 4) October/November – List of projects are compiled into one master file
- 5) November – Building Board Director applies new scoring method to compile requests
- 6) November – Building Board Director distributes proposed capital improvement list to DFCM, Agencies and Institutions for review, revisions and input
- 7) November/December – DFCM project managers assigned to complete CBE's with new scoping form to projected requests based on funding expectations
- 8) January – Building Board reviews and finalizes the scored and prioritized Capital Improvement list, including a preliminary scoring/ranking prior to submitting to Legislature IGG Subcommittee
- 9) January 15 – Final review of Capital Improvement list formally submitted to Legislature
- 10) March – Building Board gives final approval to Capital Improvement list

Rich Amon reminded the Board this is all tentative, but a good start in moving forward with this new process. Chair Carnahan said getting more funding for Capital Improvements is a great step in the right direction.

□ CAPITAL IMPROVEMENT PROCESS

Jeff Reddoor explained that there is now a five step process to begin a request for Capital Improvements.

- 1) Project Needs Request
- 2) Project Prioritization and Scoring
- 3) Scored Project Review and Revisions
- 4) Submit Scored and Prioritized Projects to IGG Subcommittee
- 5) Final Approval by the Building Board

This new five step process for Capital Improvements is still evolving and has not received final approval from the Board. The continued development of the process will also involve the approval of Administrative Rules which hopefully will be presented to the Board during the October 30th meeting.

Mr. Reddoor gave additional information concerning the new project prioritization and scoring process which includes classifications into 1—life safety, code compliance, 2—critical, 3—necessary, 4—programmatic. This is accomplished through communications and site visits. The newly compiled list is then submitted to the State Building Efficiency Program Director to determine if any listed projects qualify for energy improvements/developments or the Revolving Loan Fund. This is a new request from the Governor's Office requiring focus on more energy projects that will save the state money. A project that qualifies for high energy savings could possibly be moved up on the list. Jeff Reddoor defined the different classifications and addressed the possible problems that may occur with too many life-safety requests. He indicated that there needs to be clear definitions for the priority classifications. In addition there were some concerns with too many projects being labeled as life-safety issues and that there may need to be a percentage cap on this. Board members expressed concerns with seismic safety that could be classified as life-safety issues. This will be a need for some of the older universities and agency buildings. There was continual discussion concerning priority

classifications and the 20/80 split for Capital Improvement Funds. Mr. Reddoor clarified that the scoring process would only prioritize the projects within any given agency. He explained that agencies would send in their priority list, with priority scores assigned to each project, which will assist the Agencies in determining correct priorities within the 20/80 split.

Board members moved to the DFCM Conference Room 4110 for lunch and continuation of training meeting at 12:34 pm. The meeting continued as follows:

DAS/DFCM Interim Director Rich Amon encouraged the Board to work together to create a policy regarding allocations. This should be a priority for the Board this year and will strengthen relationships with agencies and institutions so they will be informed of these new procedures. Mr. Amon talked about the process involved in interviewing for a new DFCM Director and explained the qualifications needed for this position. In addition, he explained the DFCM reorganization process with improvements in standardization, technology and performance measures.

Chair Ned Carnahan led a discussion on use of video conferencing for Board meetings. The Board agreed that this should be used when possible, however monthly Board meetings need to be in a large room that will accommodate the general public since it has to be an open and public meeting when four members are in attendance. Board members were informed that they could access the UEN Network for teleconferencing at any Institutions of Higher Learning, UDOT stations and UCAT locations. Board members expressed interest in visiting state facilities occasionally after Board meetings. This will assist members in becoming familiar with the various state facilities. Cee Cee Niederhauser briefly explained the Capital Development Tour with information concerning travel, overnight accommodations and direction of the tour this year. Board members discussed having an agenda item each month for Board Business. This could be addressed at the end of each Board meeting. Board members suggested possibly taking a 15 minute break at the end of the meeting; followed by the business part of the meeting.

Jeff Reddoor continued his explanation of the Capital Improvement Process and distributed copies of comments from Agencies and Institutions. There was discussion concerning risk assessments and the utilization of Risk Management to help identify life-safety needs. Mr. Reddoor told the Board there is a new Environmental Air Quality regulation that requires agencies to have a DEQ study every year. The process of Condition Assessments was addressed and Jeff Reddoor reported that these are being accomplished with substantial savings to the State.

☐ INTRODUCTION TO BOARD WEBPAGE

Cee Cee Niederhauser showed the location of the Building Board website with links to the informational packet, agendas, minutes, and the Five Year Book which will be posted in January. She informed Board members that the informational packet would be emailed to them a week prior to the meeting with printed copies available upon request.

☐ ADJOURNMENT

The meeting adjourned at 1:23 pm.