

Utah State Building Board



MEETING

October 27, 2010

MINUTES

Utah State Building Board Members in attendance:

Mel Sowerby, Chair
Steve Bankhead
George Daines
Sheila Gelman
Cindi Gilbert
Jeff Nielson
John Nixon

DFCM and Guests in attendance:

Gregg Buxton	Division of Facilities Construction & Management
Kurt Baxter	Division of Facilities Construction & Management
Cee Cee Niederhauser	Division of Facilities Construction & Management
John Nichols	Division of Facilities Construction & Management
Tom Shaw	Division of Facilities Construction & Management
Wayne Christensen	Division of Facilities Construction & Management
Darrell Hunting	Division of Facilities Construction & Management
Gordon Jensen	Division of Facilities Construction & Management
Kim Hood	Department of Administrative Services
Rich Amon	Legislative Fiscal Analyst's Office
Kimberlee Willette	GOPB
Jerry Jensen	Department of Corrections
W. Ralph Hardy	Office of the Commissioner of Higher Education
Dana Miller	Southwest ATC
Clay Christensen	Mountainland ATC
Scott Snelson	Tooele ATC
Gary Straquadine	USU -- Tooele
Rudy Thompson	Midwest Commercial Interiors
Sean Wright	Midwest Commercial Interiors

Ben Berrett	Utah State University
Darrell Hart	Utah State University
Sydney Peterson	Utah State University
Ken Nye	University of Utah
Mike Perez	University of Utah
Fran Pruyne	CRSA
Alyn Lunceford	Courts
Rick Stock	Dunn Associates
Rich Van Ausdal	Dixie ATC
Val Peterson	Utah Valley University
Jim Michaelis	Utah Valley University
Blake Court	Jacobsen Construction
Cynthia Cook	FFKR Architects
Kevin P. Hansen	Weber State University
Greg Sheehan	Division of Wildlife Resources
Rob Brems	UCAT
Marvin Dodge	Snow College

On Wednesday, October 27, the Utah State Building Board held a regularly scheduled meeting at the Utah State Capitol, Room 250, Salt Lake City, Utah. Chair Mel Sowerby called the meeting to order at 9:03 a.m.

APPROVAL OF MINUTES OF SEPTEMBER 1, 2010 AND OCTOBER 6, 2010
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Chair Sowerby sought a motion for approval of the minutes of both meetings.

MOTION: George Daines moved to approve the meeting minutes of September 1, 2010 and October 6, 2010. The motion was seconded by Steve Bankhead and passed unanimously.

LONG TERM LEASE REQUEST IN SALT LAKE CITY ON BEHALF OF DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL.....

John Nichols from DFCM reported this long term lease request is for a parking lease located at 1600 South 900 West directly north of the current Department of Alcoholic Beverage Control headquarters and west of their distribution warehouse. This property is greatly needed for parking. They had originally tried to purchase the property from Salt Lake City but the city refused to sell, however they are willing to lease it for 10 years. It is a .65 parcel of property and will cost about ten cents a square foot per year.

MOTION: George Daines moved to approve the Long Term Lease Request in Salt Lake City on Behalf of the Department of Alcoholic Beverage Control.

The motion was seconded by Cindi Gilbert and passed unanimously.

LONG TERM LEASE REQUEST IN ST GEORGE, UTAH FOR ATTORNEY GENERAL AND DEPARTMENT OF HUMAN SERVICES

John Nichols explained that their request was actually for two leases which will have identical terms. These are long term office leases. One is the new Washington County Justice Center in St. George which will house the Attorney General's office and the other is space for the Department of Human Services located at 52 North 100 West. The total space for the Attorney General's office is 3,700sf and Human Services will have 7,400sf. The rate is currently set at \$16.57sf for a full service lease; however they are trying to negotiate to get a lower price.

MOTION: Cindi Gilbert moved to approve the Long Term Lease Request in St. George, Utah for Attorney General and Department of Human Services. The motion was seconded by George Daines and passed unanimously.

PROGRAMMING AND DESIGN FOR THE UVU STUDENT LIFE AND WELLNESS BUILDING

Val Peterson reported that they are currently experiencing tremendous growth at UVU. They have a need to provide more of a full experience on campus for their students which includes a life and wellness center to provide space for engaged classrooms, intramurals, outdoor recreation and other student activities. They are requesting programming for that building as well as a parking structure.

Chair Sowerby clarified the request as programming only and not design.

Steve Bankhead expressed concern that UVU did not have a request for a state-funded project this year and in doing so possibly have taken themselves out of the 5 year plan. Val Peterson said that they were busy trying to move two non-state funded projects forward (The Student Life and Wellness Building and Property at Anderson Geneva Site, 100 acres) and that the President felt that he needed a year to assess the future plans for the University.

Jeff Nielson and George Daines asked for clarification on programming and Director Buxton responded that when an organization decides to build a building, they work with an Architect who then systematically works with the organization to determine their needs for space, usage, restrooms, facilities, etc. This is called programming. The cost of programming is anywhere from \$100,000 to \$200,000.

MOTION: Steve Bankhead moved to approve the Programming for the UVU Student Life and Wellness Building as well as a Parking Structure. The

motion was seconded by Jeff Nielson and passed unanimously.

☐ PROGRAMMING AND DESIGN FOR THE SNOW COLLEGE HOUSING PROJECT.....

Chair Sowerby clarified that this project is for programming only.

Marvin Dodge, Vice President of Finance and Administrative Services reported that Snow College has been working on a master plan with Architects in Salt Lake City. They want to continue to proceed with the programming of their housing project. It will be non-state funded including the cost of the programming.

MOTION: George Daines moved to approve the Programming for the Snow College Housing Project. The motion was seconded by Sheila Gelman and passed unanimously.

☐ CAPITAL DEVELOPMENT RANKINGS.....

Mel Sowerby opened the floor for discussion concerning the rankings as they stand. Steve Bankhead indicated that maybe Director Buxton could give more information concerning the Multi-Agency Warehouse Renovation which has a high sense of urgency this year. Director Buxton explained that this project is actually three warehouses that were donated to the State by the Federal Government which includes 360,000sf of warehouse space. This free warehouse space needs some renovation work prior to occupancy. Agencies that are candidates for occupancy of these warehouses include, Archives, State Unified Lab, Davis Applied Technology Center and Forestry and Fire. This is a very cost effective project.

MOTION: Steve Bankhead moved to move the Freeport Multi-Agency Warehouse Renovation up to priority two position. The motion was seconded by Cindi Gilbert.

Before the vote took place, George Daines commented that he agreed that the Freeport Multi-Agency Warehouse ought to be moved, however he felt it should be Priority four. He said that it was really a situation between what is urgent and what is critical. Mr. Daines feels that the Warehouse is an important project but feels that the first three projects are each urgent and critical. He would be willing to move it as high as Priority four. Mr. Bankhead disagreed and felt that it should be priority two so that it will definitely be funded this year. He voiced opinion that the two projects below it may not be funded because of their size. Mr. Daines responded that the Warehouse Project would probably require less money from the Legislature but felt that the Building Board should send a signal that projects two and three are critical and need attention this year.

The motion stood as moved and passed with four in favor and one opposed.

Steve Bankhead added that he would like to see Module #2 of the Unified State Lab ranked higher. Director Buxton reminded the Board that the Unified State Lab had consolidated phases two and three into one building. This is a project that needs to be continued and finished.

MOTION: Cindi Gilbert moved that Module #2 of the Unified State Lab be moved after Ogden Juvenile Court and before the University of Utah Utility Distribution Infrastructure. The motion was seconded by Steve Bankhead.

Before the Board voted, George Daines expressed his concern for the same reasons as before and said he would keep these projects where they presently are on the priority list. Cindi Gilbert commented that there isn't a project on the list that does not deserve to be funded, however she felt they needed to finish what they started and help to ensure that this project is funded.

Chair Sowerby clarified there was a motion and a second and the motion was to move Module #2 of the Unified State Lab to Priority four on the rankings.

The motion stood as moved and passed with four in favor and two opposed.

Steve Bankhead said that he wondered if other projects should be moved up so that there would be ground work for next year. There was considerable discussion concerning needs in various geographic locations in the state. Cindi Gilbert also expressed concern over the lack of priority for the ATC systems.

MOTION: Cindi Gilbert moved to change SWATC Health Science and Information Technology Building from Priority seven and move it ahead of Corrections to Priority six. The motion was seconded by Jeff Nielson. The motion failed with two in favor and four opposed.

George Daines expressed concern over the CUCF West-1 192 Secure Housing & West-2 288 Dorm and said that he felt that with our economic situation there should be more of an effort to use the county jail system and expressed interest in moving Corrections down the list. Director Buxton invited Jerry Jensen, Facilities Manager from Corrections to address this issue. Mr. Jensen reminded the Board that county jails are an option but that those are one time option fundings and they don't know what the future will bring. Right now they are at maximum capacity. He said they were priority three last year. They have the land, space and design. They are ready to move forward. George Daines, however stated that he understood the issue but if you look at the cost of funding the jail option, it is much more efficient. Mr. Jensen indicated that each year their project gets moved to a lower priority

but their urgency is getting higher. Kurt Baxter reminded the Board that the county jail system will only take lower level inmates. Inmates with medical issues or high risk issues are denied. Steve Bankhead said he would vote in favor of moving Corrections down the list but felt that this issue should come up fresh before the Board next year. The rankings this year should have no influence on where it is ranked next year.

MOTION: George Daines moved to change Corrections from Priority seven to Priority fourteen on the list. The motion was seconded by Steve Bankhead. The voting was three in favor and two opposed.

DAS Director, Kim Hood recommended that the Board do a roll call vote. Cee Cee Niederhauser, Secretary to Board conducted the roll call.

Jeff Nielson	No
Sheila Gelman	No
George Daines	Yes
Mel Sowerby	No
Cindi Gilbert	Yes
Steve Bankhead	Yes

The motion failed with three in favor and three opposed.

MOTION: Steve Bankhead moved to close the discussion of the FY 2012 Capital Development Rankings and accept the rankings as they currently stood. The motion was seconded by Cindi Gilbert and passed unanimously.

(A copy of the final rankings are attached to this document)

☐ FY 2012 HEARING SCHEDULE FOR PROJECTS FROM OTHER FUNDING SOURCES.....

UVU Student Wellness Building

Val Peterson wanted to thank the Board for approving the programming for this building. They see this building as rounding out the student life experience on campus. They estimate the cost of the building to be between thirty to forty million dollars and will be non-state funded. The revenues for this project will come from student fees. The accompanying parking structure, estimated to be approximately \$8 Million, will have 536 stalls and will be funded by a revenue bond and parking revenues. O & M for this building would be determined at a later time when the Legislature approves this project.

MOTION: Steve Bankhead moved to approve the UVU Student Wellness Building

and Parking Structure. The motion was seconded by Cindi Gilbert and passed unanimously.

Ambulatory Care Complex Parking Phase I

Mike Perez reported that they were presenting the Ambulatory Care Complex that the University Healthcare system will be constructing in conjunction with Primary Children's Hospital. The complex will have a building for Intermountain Primary Children's and a building for University's Ambulatory Care which is out patient. The approval they are seeking is for a parking component added to this facility. The below ground parking is estimated at about \$16 Million. This, along with the Ambulatory Facilities, will be built with no state funds and no state O &M will be required.

MOTION: Cindi Gilbert moved to approve the Ambulatory Care Complex Parking Phase I. The motion was seconded by Steve Bankhead and passed unanimously.

Dee Glen Smith Athletic Center Expansion

Mike Perez explained that the football team as well as other sports need more space on campus. The NCAA requires that eating facilities be located at or near practice locations and presently they are using a tent. They also desire to have an enhanced sports medicine and larger training facility. They will be removing 25,000sf of their existing building and then rebuilding this with additional square feet totaling 57,000sf. The project cost will be \$20 Million with no state funds for the O & M or capital improvements.

MOTION: Steve Bankhead moved to approve the Dee Glen Smith Athletic Center Expansion. The motion was seconded by Cindi Gilbert and passed unanimously.

University of Utah Healthcare Medical Services Building

Mike Perez reported that this project simply takes five existing clinics throughout the Salt Lake Valley and combine them into one facility. They represent OBGYN, Dermatology, and Ophthalmology. The consolidation will provide substantial savings for the University for lease revenue and provide services in a central location. It will be approximately 70,000sf with a cost of \$25.5 Million. There will be no state funds or state O & M required for this project.

MOTION: Sheila Gelman moved to approve the U of U Healthcare Medical Services Building. The motion was seconded by Steve Bankhead and passed unanimously.

USU Regional Campus Distance Education Building

Darrell Hart reported that the University presently has over 2,000 courses being offered through distance education state wide. They are presently operating out of a Quonset hut

and some double wide trailers. They would like to construct a building that is about 30,000sf and will house four departments, regional campus and distance education coaching. A smaller portion of the building will house Utah Public Radio, UEN Network and a Fax Center for the faculty assisted center. The cost will be about \$10 Million. They anticipate state O & M to be about \$150,000. Mr. Hart indicated that if they had to do this project without state O & M then they would increase tuition of the distance education courses to cover the funding.

MOTION: George Daines moved to approve the USU Regional Campus Distance Education Building. The motion was seconded by Cindi Gilbert and passed unanimously.

Art Barn Renovation

Darrell Hart reported the plan is to renovate the old Art Barn on campus, provide museum space, office and work room as well as a welcome center for the University. This renovation will allow the building to remain a landmark on campus and provide a needed function. The cost estimate is about \$2.5 Million and they would ask for state O& M.

MOTION: Cindi Gilbert moved to approve the USU Art Barn Renovation. The motion was seconded by Jeff Nielson and passed unanimously.

Cindi Gilbert asked for a point of clarification. There was a project #10 on the Non-State Funded Projects List called Brigham City Campus Addition. Is that taken off the agenda? Director Buxton said, yes.

Snow College Student Housing

Marvin Dodge from Snow College reported they are looking to construct new on-campus housing and therefore they are seeking a revenue bond to finance this. Their current on-campus housing is extremely old and most of which are currently full. The housing they currently have has been paid for and auxiliary revenue for housing is available for the debt service and also to cover the O & M cost for this project. They have been working with Method Studios of Salt Lake City on a Master Plan update. They are looking at a modern living learning environment design which seems to be the wave of the future to encourage student interaction, better communications, learning to get along and so forth. It leads to a better and more positive college experience. This housing will sit on property that is currently owned by the College. Early cost estimates are about \$15 Million for 8,000sf. There is a housing shortage in Ephraim and this is part of what drives their desire for on-campus housing.

MOTION: Steve Bankhead moved to approve the Snow College Student Housing. The motion was seconded by Cindi Gilbert and passed unanimously.

Kamas Fish Hatchery Water Filtration

Gregg Sheehan from the Division of Wildlife Resources presented the Kamas Fish Hatchery which produces 12% of the state's total fish stock. Kamas Hatchery was recently rebuilt at a cost of \$9 Million. They presently experienced a sink hole in Beaver Creek which supplies the water source to the hatchery. The water suddenly started flowing up into the hatchery and into their water system for the fish. They cannot use that water source because of whirling disease that occurs in that particular stream. They are requesting the use of some funds to install a water filtration system and a UV ultraviolet filtration system to ensure that the water is clean as it flows through their hatchery, In addition, they would need to build a small building to house the water treatment plant which would be approximately 3,240sf. The cost for this is about \$1.6 Million. About half of the funding would come from the general fund which is appropriated and the other half would be \$800,000 from the state fish hatchery maintenance account funding which is already available and appropriated. They would require no additional O & M since their current O & M would continue to run the hatchery. Right now they have had to shut down their facility for the past three weeks.

MOTION: Cindi Gilbert moved to approve the Kamas Fish Hatchery Water Filtration. The motion was seconded by Steve Bankhead and passed unanimously.

Lee Kay Archery Center

Gregg Sheehan presented their second project which is an indoor archery range at the Dee Kay Shooting Center located at about 5600 West and 2100 South in Salt Lake City. At the present time this center is used for higher education and training programs as a shooting range for rifles, hand guns and shot gun as well as a little bit of office space. They currently have an outdoor archery range but this range is limited to seasonal use. The Easton Foundation has approached them concerning funding because they were looking to build a site that could be used for Olympic Training as well as casual archery shooting. The Foundation would like to see the project approved by the Building Board before they commit their funds. They have \$2.3 Million available to donate and a long term O & M component as well.

MOTION: Sheila Gelman moved to approve the Lee Kay Archery Center. The motion was seconded by George Daines and passed unanimously.

Purchase of the Farmington Courthouse

Alyn Lunceford from Utah State Courts reported that their project involves a purchase of the county owned portion of the Farmington Court Facility which would require a \$3.9 lease revenue bond. The revenues from the state's lease they are currently paying to the county and the county lease that they would then turn around and be paying to them for the County Attorney space would cover the cost of the bond. This could create substantial savings to the state. All the operation and maintenance costs associated with this building are already included and covered. This project would require no additional increase in

budgetary expense from the general fund.

MOTION: Cindi Gilbert moved to approve the Purchase of the Farmington Courthouse. The motion was seconded by George Daines and passed unanimously.

UCAT Board of Trustee Building

Rob Brems from Utah College of Applied Technology requested approval from the Board for a lease revenue bond in order to develop a UCAT Board of Trustees Facility on their property at Thanksgiving Point. The proposed facility of 10,000 to 12,000sf on about one acre of property is projected to cost about \$1 to \$1.2 Million with the property already being available. This would be a twenty year lease revenue bond. This building would be located near the new Mountainland Applied Technology College Building that is presently being constructed.

Director Gregg Buxton expressed concern with the college vacating their existing location at the Rampton Building and the ramifications of that vacancy. He said that the state had already expended substantial money in renovating an area the Rampton Building for their use and UCAT was ready to vacate. He said he was not sure that was good use of state money. Rob Brems apologized for the misunderstanding and said that was not their intent. He said that if nothing happens with the 6.1 acres at Thanksgiving Point then their development people will have the option of purchasing the land back and that is what they intend to do. UCAT has until July 15, 2011 to develop the property. The loss of this property, which was purchase at a great price and is now worth substantially more, would be a setback for UCAT.

MOTION: George Daines moved to table the UCAT Board of Trustee Building until DFCM could provide an analysis and report to the Board. The motion failed for a lack of a second.

MOTION: Steve Bankhead moved to approve the purchase of the UCAT Board of Trustee Building. The motion failed for a lack of a second.

Director Buxton suggested that Rob Brems return with more facts about the building and return to the Board for further consideration at their next meeting. CeeCee Niederhauser, Secretary to the Board, reminded Mr. Brems that the next Building Board meeting was December 1, 2010.

MOTION: George Daines moved to renew the motion to table the UCAT Board of Trustee Building until DFCM could provide an analysis and report to the Board. The motion was seconded by Cindi Gilbert and passed unanimously.

Dixie State College Housing Project

President Stephen Nadauld and Stan Plew, from Dixie College made a presentation concerning their student housing and public private partnership for development on Dixie College campus. Dixie College has had a 700% increase in enrollment in the past 40 years. Their existing housing was built in 1962 and 1968 so their buildings are more than 40 years old. They presently have about 9,000 students and only 250 beds on campus. The ability to build private housing in St. George is limited by the available space as well as the cost of the land. They have been trying to do something with their housing for the past 5 years and decided to try a newer approach with a public private housing option. They have talked with a lot of developers and have decided to construct a 310 to 315 bed facility. This housing would include living rooms and kitchens with two entrances to the building. They should be looking at a shared room rate of \$290 to \$300 and private rooms at \$525. They propose to lease the land for a nominal fee and the constructed facility could convert back to the ownership of Dixie College. They do not have a developer yet, but understand that they would have to go through a RFP process.

Director Buxton reminded President Nadauld that the housing project would have to be built to state standards and the President said they would adhere to that standard.

MOTION: Cindi Gilbert moved to approve the Dixie State Housing Project. The motion was seconded by Jeff Nielson and passed unanimously.

CAPITAL DEVELOPMENT RANKINGS – LAND BANKING REQUESTS.....

Chair Sowerby apologized to attendees for the change on the schedule concerning the approval of Land Banking Requests.

MOTION: George Daines moved to approve the FY 2012 Land Banking Request as posted. The motion was seconded by Steve Bankhead and passed unanimously.

DEMOLITION OF STATE BUILDING

Darrell Hunting, Project Manager for DFCM wanted to make the Board aware that the Division of Driver's License self funded the replacement of the Ogden Driver's License Facility last year. That project is presently in the design and bid phase. In the design process, it was discovered that they had a long term lease with the National Guard which had two buildings that stood in the way of progress of the new building. The buildings consisted of a radio tower and a radio shop. The radio tower would be very costly for the state to move, however the radio shop which is in the location of where the new Ogden Driver's License Facility would be built can be relocated. They are requesting approval to demolish the existing radio shop building located at 650 East and 5300 South in Ogden, Utah and relocate that building to a site in Ogden that would be more convenient for the

Department of Public Safety who is the biggest user of the facility.

MOTION: Steve Bankhead moved to approve the Demolition of the State Building. The motion was seconded by George Daines and passed unanimously.

☐ DECLARATION OF SURPLUS PROPERTY – MULTIPLE PROPERTIES, NORTH TEMPLE.....

John Nichols, Real Estate Manager from DFCM said they are requesting and recommending that the Board make a declaration of surplus property along North Temple. This is in connection with the UTA TRAX line that is going out to the airport and consists of very long, narrow strips of property.

Tom Shaw, Real Estate Manager from DFCM said that UTA had approached DFCM on behalf of them, Rocky Mountain Power and UDOT to acquire several parcels of property along North Temple between about 10th West and 1950 West. It is primarily a strip of property about ten feet wide on both the north and south sides of North Temple. There have been some challenges and concerns about protection and restoration of properties, especially historic properties along the FairPark area. They have had some contact with the Utah State Preservation Officer to determine historical significance. Their recommendation is that the only property of historical significance is the property right adjacent to the FairPark.

MOTION: George Daines moved to approve the Declaration of Surplus Property – Multiple Properties, North Temple. The motion was seconded by Steve Bankhead and passed unanimously.

☐ APPROVAL OF PROPERTY EXCHANGE – UTAH STATE HOSPITAL

John Nichols, Real Estate Manager from DFCM reported that they are requesting and recommending that the Board approve another surplus sale but which also includes a land trade. This involves the Utah State Hospital and will enable an extension of 7th East Boulevard. The property is currently owned by the state and is on the South and West edge of the State Hospital which is vacant land where some old apple orchards were currently located. This has been part of the master plan for the State Hospital for some years and will greatly enhance the future development of this property. Provo City will purchase the area marked “Proposed Seven Peaks Blvd” along with other uneconomic remnants according to the appraised value. The property the state will be acquiring in this land trade is Street B which is an extension to the East from Center Street. They are acquiring this land trade for the price of the land only and even though it has a street, it is improved with asphalt on it. They are going to be paying for the value of actually putting it in to begin with and so the land trade will cost approximately \$422,000 to the state. This will change the nature of street access and circulation around the state hospital. They are

requesting approval from the Board at this time.

MOTION: George Daines moved to approve the Approval of Property Exchange – Utah State Hospital. The motion was seconded by Steve Bankhead and passed unanimously.

❑ ADMINISTRATIVE REPORTS FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY

Ken Nye reported that for professional service agreements they had 13 design agreements and 7 other types of agreements. For construction contracts, they had one contract for new space and construction by DFCM that they are matching for security contract installation. They have 9 remodeling contracts and 3 site contracts. On page 3 under project reserve fund, they did not have any activity. On page 4, their contingency reserve fund shows the increases listed which are the amounts that were budgeted for contingency. In their Capital Improvement Projects, there is the typical process of transferring funds into the contingency reserve. There was one decrease for the high temperature water line replacement. Hale Sciences, \$87,000 covers primarily the problems with two underground vaults that were connected. The project funding was originally for one of these vaults, however when they started working they discovered the other was ready to collapse and required extensive work.

MOTION: Steve Bankhead moved to approve the Administrative Report for the University of Utah. The motion was seconded by George Daines and passed unanimously.

Ben Berrett gave the administrative report for Utah State University. They had two professional contracts issued this month and nine construction projects. Under contingency reserve fund, they had two professional contracts, one to the Ivy Code Group for a code inspection at their Botanical Center in Kaysville and the other for chilled water efficiency study to the RMH group to improve chilled water efficiency. Under construction projects, there is the HSRC 2nd Floor Remodel which is to accommodate a research project that was awarded to that department, another controls upgrade and the others were environmental abatement groups of asbestos abatement projects across campus. They had no increase to the contingency reserve fund, however they did have quite a few decreases, and most of them were relatively small amounts. The main one involved building re-commissioning with a decrease of \$24,000. They found we needed to upgrade the building lighting system to finish the project. Their contingency reserve is at \$658,000. The project reserve fund had two increases to the fund with projects closing with a small amount and one decrease for a controls project

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

passed unanimously.

☐ ADMINISTRATIVE REPORTS FOR DFCM

Kurt Baxter gave the administrative report for DFCM. They had some major design agreements at Weber State, MHTN with the Residential Hall Phase II, University of Utah with their Data Center Building Improvements Program Study for \$17 Million and Salt Lake Community College Redwood Road Campus Instructional and Administrative Complex that was \$1.7 Million with AGC Architects. In construction the large item was University of Utah, Gramoll Construction for \$27.5 Million for the Honor's Housing Legacy Bridge Design Build Project. There have been some significant changes to the project reserve and contingency on pages 13-15. Contingency is at \$9.1 Million and about 4 to \$4.5 Million in their safe contingency reserve. The project reserve has \$14 Million which seems like a large number but there was just a deposit from UVU Health Sciences Building of \$7.4 Million. You can review the deductions from the contingency and project reserve on the first two pages of our report.

Director Buxton expressed the need for others to understand that because of the economic times, they have been making some substantial savings, however they are now coming to the time where subcontractors and contractors are starting to fail. He anticipates that they will see more of that in the future.

John Nixon wanted to thank the Board for their diligent work. He acknowledged the Building Board had spent hours going on tours and in meetings prioritizing projects. For the Governor's Office, this prioritization was key to helping them evaluate the items to include in the Governor's budget.

☐ ADJOURNMENT

MOTION: Cindi Gilbert moved to adjourn at 11:39am. The motion was seconded by Steve Bankhead and passed unanimously.