

Utah State Building Board



MEETING

December 3, 2008

MINUTES

Utah State Building Board Members in attendance:

Larry Jardine, Chair
Steve Bankhead
Wilbern McDougal
Mel Sowerby
Manuel Torres

DFCM and Guests in attendance:

Gregg Buxton	Division of Facilities Construction & Management
Kurt Baxter	Division of Facilities Construction & Management
Shannon Elliott	Division of Facilities Construction & Management
John Harrington	Division of Facilities Construction & Management
Lynn Hinrichs	Division of Facilities Construction & Management
Bruce Whittington	Division of Facilities Construction & Management
Jeff Wrigley	Division of Facilities Construction & Management
Alan Bachman	Attorney Generals Office/DFCM
Kimberly K. Hood	Department of Administrative Services
Steven Allred	Legislative Fiscal Analyst Office
Jerry Jensen	Corrections
Greg M. Peay	Corrections
Alyn Lunceford	Courts
Kim Wixon	Department of Health
Keith Davis	Department of Human Services
Kent Beers	Department of Purchasing
Christine Coutts	Architectural Nexus
Sarah Parris	BNA Consulting
Robert Reed	Cameron Construction
Keith Stepan	General Public
Curtis Clark	GSBS Architects
Lauren Yant	GSBS Architects
Jennifer Smith	MHTN Architects
Jackie McGill	Spectrum Engineers
Bob Askerlund	Salt Lake Community College
David F. Tanner	Southern Utah University
Ben Berrett	Utah State University

Troy Caserta
Jim Michaelis

Utah System of Higher Education
Utah Valley University

On Wednesday, December 3, 2008, the Utah State Building Board held a regularly scheduled meeting in C445 of the Utah State Capitol, Salt Lake City, Utah. Chair Larry Jardine called the meeting to order at 9:00am.

APPROVAL OF MINUTES OF OCTOBER 16, 2008

Chair Jardine sought a motion on approval of the meeting minutes for the meeting held October 16, 2008.

MOTION: Wilbern McDougal moved to approve the Building Board meeting minutes of October 16. The motion was seconded by Steve Bankhead and passed unanimously.

AMENDMENTS TO RULE R23-19

Alan Bachman stated Rule R23-19 pertained to standards for space heaters. The amendment was previously brought before the Board and DFCM was authorized publication with the Division of Administrative Rules. With no comments received during the 30 day public comment period, DFCM recommended the Board authorize the rule to become effective.

MOTION: Steve Bankhead moved to approve the amendments proposed to Rule R23-19 and allow the rule to become effective. The motion was seconded by Manuel Torres and passed unanimously.

MODIFICATION TO TESTING STANDARD.....

In the current Design Standards, DFCM requires concrete cylinder testing on every pour of concrete that is structural in nature regardless of the size of the building. This is very expensive for some smaller, remote projects in relation to the project size. DFCM proposed to somewhat relax the standard to allow it to meet the requirements in the code which don't require structural concrete testing in every location. This is recommended as an amendment to the Design Standards to help save costs on these projects.

MOTION: Wilbern McDougal moved to approve the amendment to the Design Standards. The motion was seconded by Steve Bankhead and passed unanimously.

ENERGY EFFICIENCY REVOLVING LOAN FUND.....

Two months ago, DFCM presented rules to the Board that were written as a follow up to HB198 which gave DFCM \$3.65 million worth revolving loan funds to allocate for energy

efficiency projects throughout the state. DFCM has since gone through the Administrative Rules process and did not receive any public comment on the rules. DFCM requested final approval to proceed with projects under the direction of the Building Board.

MOTION: Manuel Torres moved to allow DFCM to file a notice of effective date and proceed with energy efficiency projects. The motion was seconded by Mel Sowerby and passed unanimously.

☐ DEPARTMENT OF HUMAN SERVICES, DIVISION OF JUVENILE JUSTICE SERVICES, DECKER LAKE FACILITY ENERGY EFFICIENCY REVOLVING LOAN FUND APPROVAL

John Harrington, DFCM, explained that the Building Board is required to approve every application for projects proceeding through the Energy Efficiency Revolving Loan Fund. The first project requiring approval is a lighting upgrade project at the Decker Lake facility. This will enhance the environment and save considerable energy savings throughout the facility.

Incentives from Rocky Mountain Power will pay back about 80% through credits on the utility bills. The total project would cost \$21,966 and the projected annual cost savings would be \$4,282. The estimated incentive back would be \$17,570 over 1.03 years, which is a great investment for the state.

The full \$3.65 million of the Energy Efficiency Revolving Loan fund has been committed. DFCM is actively looking at the best paybacks for the projects with the greatest benefit to the state.

John Harrington clarified that HB198 allows agencies to keep the energy savings and pay back the state through those savings. Future energy savings are kept by the agency and used to fund other energy projects within their agencies. Once all energy projects have been completed by the agency, the savings then return to the state. The loan will be structured so it is repaid as the savings is accrued.

MOTION: Manuel Torres moved to approve the Department of Human Services, Division of Juvenile Justice Services, Decker Lake Facility Energy Efficiency Revolving Loan Fund Application. The motion was seconded by Mel Sowerby and passed unanimously.

Jeff Wrigley was introduced as a new employee of DFCM who will be working with the Energy staff of the various projects.

☐ FY2009 CAPITAL IMPROVEMENT PROJECTS ON HOLD DUE TO BUDGET CUTS

DFCM recommended that the Building Board cut the construction budgets of some of FY 2009 Capital Improvement projects as a result of Legislative action taken during the 2008 Special Session (budget cuts).

During the 2008 Special Session, the Legislature cut FY 2009 Capital Improvement funding by \$15,000,000. DFCM identified \$15,000,000 in projects that can move forward with design but delay construction until next spring. Under this approach, \$15,000,000 will be cut from the construction budgets of various FY 2009 projects. Construction funding for these projects will be restored as the top priority for the FY 2010 Capital Improvement funding allocation by the Building Board. Once construction funding for the FY 2009 Capital Improvement projects has been restored, the remaining FY 2010 Capital Improvement funds will be allocated by the Building Board based on agency/institution share and need. A list of the various projects affected by the budget cuts was distributed at the meeting, including those projects cut at the University of Utah and Utah State University.

MOTION: Steve Bankhead moved to approve the FY2009 Capital Improvement projects on hold due to budget cuts. The motion was seconded by Manuel Torres and passed unanimously.

ADMINISTRATIVE REPORT FOR UTAH STATE UNIVERSITY

Ben Berrett, USU, provided the administrative report for the period of August 20 to November 12, 2008. There were 19 professional contracts and 28 construction contracts issued for the period. Mr. Berrett noted that the Tooele Classrooms Addition project is an addition to the Tooele regional campus. USU has a cooperative agreement with Tooele County for this project who is providing \$1.2 million towards the construction of the facility for the purpose of meeting the growing need for higher education opportunities for the residents of Tooele County.

There was a transfer of \$68,180 from the Contingency Reserve fund for the tennis court relocation. This was to provide underground electrical conduit for future lighting to the tennis courts, and to construct a concrete storage building. There were two projects closed adding \$32,226.57 to the Project Reserve Fund.

Of USU's 75 projects, 10 are now complete, 22 are substantially complete, 34 are under construction, five are in the design/study phase, and four are pending.

MOTION: Manuel Torres moved to approve the administrative report for Utah State University. The motion was seconded by Steve Bankhead and passed unanimously.

ADMINISTRATIVE REPORTS FOR DFCM.....

Kurt Baxter provided the DFCM administrative report for the period of September 18 to November 13, 2008. There were 68 architect/engineering agreements awarded and 73 construction contracts awarded for the period.

Steve Allred asked about the USTAR and CUCF transfers to the Contingency Reserve Fund. Lynn Hinrichs stated the large transfer amounts were due to DFCM accounting taking the budget from the funding and placed it in reserve prior to the project initiating so that DFCM has funds to draw from for change orders in the future.

ADMINISTRATIVE REPORT FOR UNIVERSITY OF UTAH

Kenneth Nye provided the administrative report for the period of August 22 to November 14, 2008. There were 11 design agreements, five study agreements, and 15 remodeling contracts awarded for the period.

The Carlson Hall Remodel was a contract for \$238,000 which was bid to three firms without advertising because the unique time constraints of the project did not allow sufficient time for advertising. This space had to be remodeled for a changed use in a very short time frame in order to meet operational requirements.

There were two decreases to the Contingency Reserve fund including one for the HEB stairway replacement in the amount of \$35,000 to cover part of the additional costs for completing the project that resulted from the initial general contractor going bankrupt. There was also a transfer of \$3,298.96 for the Student Services Building Fire Detection System to address an unknown condition where the existing electrical wiring did not meet code requirements.

MOTION: Mel Sowerby moved to accept the administrative report for the University of Utah. The motion was seconded by Manuel Torres and passed unanimously.

SOUTH CAMPUS HOUSING PHASE I OTHER FUNDS REQUEST

Michael Perez, University of Utah, stated at the October Board meeting, the University brought forward the South Campus Housing as an other fund project. Although much of the scope had not been determined, the University identified the need for housing in an area just north and east of the Annex building on campus. The University agreed to return to the Board with more information.

The original project scope was valued at approximately \$72 million and that was based on 310 beds on three levels above a parking deck. Since then, the University further developed the scope and determined to remain at 310 beds but with reduced parking. The current scope is a \$48 million project includes 286,000 sq. ft. of new space with 136,000 sq.ft. allocated for apartments and 150,000 sq.ft. for parking deck. The University anticipates this to be a 30 year revenue bond with the revenue covering the debt service.

There will be no state O&M and no request of state funds for the construction of the project. The University will request approval of the bonding through the Building Board and the Legislature in this session.

MOTION: Wilbern McDougal moved to approve the South Campus Housing Phase I Other Funds Request and include it with the other funds projects to be submitted to the Legislature. The motion was seconded by Manuel Torres and passed unanimously.

☐ UNIVERSE PROJECT OTHER FUNDS REQUEST (CLOSED SESSION RELATED TO REAL PROPERTY ISSUES).....

MOTION: Mel Sowerby moved to enter into a closed session to discuss real property issues. The motion was seconded by Steve Bankhead and passed unanimously.

MOTION: Steve Bankhead moved to exit the closed session. The motion was seconded by Mel Sowerby and passed unanimously.

It was determined no further action was required as a result of the closed session.

☐ ADJOURNMENT

MOTION: Manuel Torres moved to adjourn the Building Board meeting at 11:01am. The motion was seconded by Steve Bankhead and passed unanimously.

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