

# Utah State Building Board



## MEETING

March 14, 2007

---

## MINUTES

### Utah State Building Board Members in attendance:

Larry Jardine, Chair  
Kerry Casaday, Vice Chair  
Steve Bankhead  
Cyndi Gilbert  
Mel Sowerby  
Manuel Torres  
John Nixon, Ex-Officio

### DFCM and Guests in attendance:

F. Keith Stepan	Division of Facilities Construction & Management
Robert Franson	Division of Facilities Construction & Management
Kent Beers	Division of Facilities Construction & Management
Curtis Clark	Division of Facilities Construction & Management
Shannon Elliott	Division of Facilities Construction & Management
Dana Edwards	Division of Facilities Construction & Management
John Harrington	Division of Facilities Construction & Management
Bruce Whittington	Division of Facilities Construction & Management
Marvin Dodge	Department of Administrative Services
Kimberlee Willette	Department of Administrative Services
Gordon Bissegger	Courts
Rich Amon	Governor's Office of Planning and Budget
Kim Wixon	Department of Health
Dan Clark	Utah State Parks and Recreation
Kirt Michaelis	Utah College of Applied Technology
Mark Spencer	Utah System of Higher Education
David Tanner	Southern Utah University
Randall Funk	University of Utah
Darrell Hart	Utah State University
Allyson Olsen	Utah State University
Jill Capanna	CO Architects
Peter Stazicka	CO Architects
Sonya Dinsdale	Dunn Associates
Emily Stauffer	GSBS Architects
Eric Tholen	Harris and Associates/AIA

Tony Lords	Henriksen Buter
Barbara Bruno	Herman Miller
Stacy Meyer	HFS Architects
Heather King	Spectrum Engineers
RoLynne Hendricks	VCBO Architecture

On Wednesday, March 14, 2007, the Utah State Building Board held a regularly scheduled meeting in the Board of Regents Boardroom, Salt Lake City, Utah. Chair Larry Jardine called the meeting to order at 9:00am.

**☐ APPROVAL OF MINUTES OF JANUARY 31, 2007 .....**

Chair Jardine sought a motion on the Utah State Building Board meeting minutes of January 31, 2007. Mel Sowerby requested the minutes be changed to reflect he was in attendance.

**MOTION: Mel Sowerby moved to approve the meeting minutes of January 31, 2007, with the addition of his name to the attendees. The motion was seconded by Cyndi Gilbert and passed unanimously.**

**☐ PRESENTATION OF 2007 LEGISLATIVE REPORT OF ITEMS RELATING TO UTAH STATE BUILDING BOARD AND DFCM .....**

Capital Development and Capital Improvement projects greatly benefited during this year's legislative session thanks to the efforts of the Governor's Office of Planning and Budget and the Legislature and its' staff who helped acquire the requests. The Capital Facilities and Government Operations Subcommittee unanimously adopted the Building Board's priority list and \$188 million was received for Capital Development projects and \$73 million was received for Capital Improvement projects. Capital Improvement projects were funded at 1.1% at the value of state owned buildings. DFCM is in the process of finalizing the recommendations for capital improvement funding and will present it to the Board at the April meeting.

During the session, a few issues arose that will need to be addressed through the priority process. Commissioner Richard Kendall, Utah System of Higher Education, requested that the Building Board review UCAT's projects more in depth. Statute requires the Building Board to provide a finding based on an evaluation of each project on the basis of need, and a review of available space in a higher education or high school facility before approving an expanded square footage facility for UCAT. In the future, the Board will need to make a formal finding certifying they have reviewed all aspects of facility space. The Building Board will also need to establish more information on the Other Fund projects to identify donation and revenue bond projects.

Kent Beers distributed to Legislative Approved Capital Budget prepared by Steve Allred, Legislative Fiscal Analyst's Office. The following projects were approved for funding during the 2007 Legislative Session.

Capital Improvements	\$73,059,900
CPB State Capitol Renovation/Parking	\$50,000,000
Peace Officers Memorial	\$500,000
Health Lab Module 1	\$30,852,000
WSU Classrm/Chiller Plnt Design	\$22,950,000
DPS/DMV Joint Bldg S SL County	\$5,342,000
DATC Tech/Manuf Bldg	\$14,240,000
Snow Library/Classroom Bldg	\$17,651,000
Courts St. George Courthouse	\$29,000,000
DPS/UDC/SLCC Train Ctr Design	\$1,277,400
USU Ag Building Planning	\$2,500,000
UU Nursing Bldg Renov/Expans	\$13,500,000
MATC N Utah Co Bldg Planning	\$1,000,000

The Legislature also approved the following state funded acquisitions.

CEU Dorms Payoff	\$3,000,000
DSC Aux Bldgs Rev Bond Payoff	\$4,200,000
Heber Wells Bldg Parking Replace	\$1,500,000
USU Uintah Basin Bond Payoff	\$400,000
Capitol Bldg Wireless Tech	\$342,000

The following other funded projects were approved.

DABC Three Liquor Stores	\$5,662,000
UCI Production Warehouse	\$1,476,000
UU Student Life Center	\$42,500,000
SUU Dormitories	\$17,500,000
POST Building Improvements	\$551,000
SWATC Land Purchase	\$2,282,000
UDOT Panguitch Maintenance Shed	\$2,000,000
SLCC Facilities/Parking Building	\$2,500,000
WSU Lifelong Learning Building	\$3,000,000
DHS Building Sale	(\$11,000,000)
DHS Bldg Rev Bond Payoff	\$4,500,000
USDB Bldg Purchase/Improve	\$6,500,000
USU Tooele County Bldg	\$1,200,000
SEATC/CEU/LDS Property Exch	\$0
MATC/UTA/Lehi City Prop Exch	\$0

Kent Beers provided explanation of the situation for the School for the Deaf and Blind. Due to the limited funding, there was not adequate funding to obtain a new facility for them. During the session, DFCM was approached by a buyer who was interested in purchasing the Human Services building. Selling the building would provide DFCM approximately

\$6,500,000 after paying off the bonds on the building. This would allow DFCM to purchase the BYU Education Center at 3770 South Highland Drive. It is an extremely well built building, which has been maintained and is in immaculate condition, and is already set up as a classroom teaching facility. DFCM estimates that there is at least another 30-40 years of life in the building without any major renovations. The 70,000sf building does not meet every need requested by the Deaf and Blind School, but they all felt it was a good opportunity. Between the sale and the purchase, there is \$500,000 available which will be used to make some code changes and meet some requirements of the deaf.

Kent Beers reviewed the bills passed during the Legislative session. House Bill 216, sponsored by Representative Buxton, essentially raised the limit of capital improvement funding from \$1.5 million to \$2.5 million for renovation, repair and upgrades of existing state owned facilities. It also increases DFCM's ability to add new space to existing facilities from a cap of \$250,000 to a new cap of \$500,000. This provides DFCM the ability to trade property when an existing facility is demolished and deemed unusable if it is of benefit to the state, a surrounding municipality, or private sector member. The words "if the facility is demolished or otherwise removed from state use" have now been added to the statute.

Another significant change pertains to projects that are under \$100,000. State agencies have always had the ability to manage those projects if they are funded with their own money. This change clarifies that a state entity may exercise direct supervision over the design and construction of all new facilities, and all alterations, improvements and repairs to existing facilities if the total project construction cost, regardless of funding source, is \$100,000 or less. The state entity must also ensure compliance with the division forms and contracts, and the division's design, construction, alteration, repair improvements and code inspection standards. The agencies will now be able to supervise the construction of those projects; however, they are going to have to use DFCM forms, contracts, comply with DFCM inspection process, and meet DFCM's Design and Construction Standards.

The bill also raises the limit on leases that have to be reported to the Legislature from \$1 million to \$5 million. This will enable DFCM's Real Estate staff to have a more unconstrained ability to enter into leases that really are more in line with the market conditions that really exist.

Keith Stepan stated the new limits are necessary due to today's expanding economy and the inflation in the construction industry. DFCM is grateful to Representative Buxton for sponsoring the legislation.

Alan Bachman discussed the Open and Public Meeting Act noting that some housekeeping changes occurred. Of significant note is the creation of a state website for public notices, which may not be created for at least a year, and emphasizes the need to record the meeting and documentation of the vote. Another change to the Act allows a member of the public to address items not on the agenda with the public body, but the public body cannot act on the item.

Keith Stepan stated the energy group requested \$1.5 million for energy projects for this coming year, which was a priority for DAS and Kim Hood. The Governor's recommendation was \$1 million. Coupled with what DFCM's Energy Group current has for this year's budget at around \$800,000, they will have about \$2.3 million in projects that will be coming up this year for energy management. The Internal Service Fund also approved additional staffing if needed as DFCM addresses the potential maintenance efforts at the College of Eastern Utah and the Development Center.

Cyndi Gilbert asked if the Building Board's process was deemed beneficial by the legislature, or if adequate money was available to fund a majority of the requests. Representative Buxton felt the process had been established and was closely followed. This allowed projects that had been on the list for several years to move ahead. He appreciated DFCM's and the Building Board's efforts because it helped him convey to the Committee the reasoning of the Board.

**☐ APPROVAL OF OTHER FUNDED PROJECTS SUBMITTED DIRECTLY TO THE 2007 LEGISLATURE WITHOUT BUILDING BOARD FORMAL APPROVAL .....**

DFCM recommended the Building Board approve the two Other Fund projects presented to and approved by the Capital Facilities and Government Operations Subcommittee. The projects were discussed at the Building Board meeting on January 31, 2007, but did not receive action as they were not formally presented as part of the agenda.

Last year the Building Board approved the purchase of 23 acres for \$4.5 million at Thanksgiving Point for a new campus site for Mountainland Applied Technology Center (MATC). As part of the purchase agreement, an additional 17 acres were offered as a future option at the same discounted price expiring in four years. Recently Lehi City and UTA officials have approached MATC to negotiate a purchase agreement for approximately 10-12 acres of the land held by MATC in the optioned acres for a commuter rail station. Of the 17 acres on the option, MATC would retain five additional acres to their 23 acres and the 10-12 acres would go to the rail station. With the discounted price and UTA paying the full price, no additional money from the state would be needed. DFCM received legislative approval to enter into negotiations.

**MOTION: Steve Bankhead moved to approve the land transaction through other funds. The motion was seconded by Kerry Casaday and passed unanimously.**

At Southern Utah University, President Michael Benson previously noted that the newly completed Eccles Living and Learning Center has had an important positive impact on the Student Housing needs as well as what might be called a negative impact. Students have been so pleased with the facilities that it is fully occupied and a waiting list has developed. However, the obvious contrast between the new facility and the old remaining facilities at Juniper Hall and Manzanita Court has made it difficult to locate students in the dilapidated facilities built in the 1960s. They are no longer viable dorms because of their unreliable

heating and electrical systems, and their group study accommodations. These buildings would be demolished as part of phase II of the housing, and new buildings would be built.

President Benson proposed to the Legislature that he be granted bonding authority for \$17.5 million. SUU would add \$3 million in donations and start the project for new housing. Legislative approval was previously received, but Building Board approval was requested as well.

**MOTION: Cyndi Gilbert moved approval of the bonding authority for Southern Utah University. The motion was seconded by Steve Bankhead and passed unanimously.**

**☐ AMENDMENTS TO RULE R23-19 AND R23-20 .....**

Alan Bachman introduced Bruce Whittington, DFCM Assistant Director over Facilities Management, who oversees several facilities applicable to the Facility Use Rule. The amendments were developed while the Capitol Preservation Board also developed a Facility Use Rules for Capitol Hill which also had a significant free speech component to their rule, and was very controversial and took some significant public hearing time. Late last year the Capitol Preservation Board was able to adopt and enforce a new rule, not only a facility use rule, but for free speech as well. DFCM worked to mimic the Capitol Preservation Board's rule and took basic universal provisions that could be applicable to all of the facilities and then gave leeway to managing agencies if there are different facilities to embellish those rules. Mr. Bachman asked the Building Board to authorize DFCM to file the publication with Administrative Rules to allow for a public comment period. DFCM will return to the Board for final adoption after the public comment period.

Bruce Whittington stated Rule R23-19 has been on the books for many years. Initially it was written primarily around the Capitol Hill facilities, but is not applicable to other facilities across the state. The amendments clarified confusing language and excluded certain entities such as higher education, and the legislative and judicial branch. R23-20 is a new addition and that covers the free speech.

**MOTION: Mel Sowerby moved to approve the publication of the rules. The motion was seconded by Cyndi Gilbert and passed unanimously.**

**☐ RECOMMENDATION TO NAME THE NEW TOOELE COURTHOUSE.....**

DFCM recommended that the Building Board approve the Utah State Courts Judicial Council's proposed name for the recently completed Tooele Courts Building.

Gordon Bissegger, Courts, stated the proposal to name the courthouse the Gordon R. Hall Courthouse originally came from Tooele County who owns 30% of the building. Gordon R. Hall was a district judge in Tooele and earlier he was also a county attorney. Subsequently he was appointed to the Supreme Court bench and became the Chief Justice of the

Supreme Court. Under his leadership, a great deal of the changes and organizational improvements made to the court system took place, including full state funding of the District Court and establishment of the Judicial Council as a policy making body. Per R23-10, the Building Board may grant approval to name the Gordon R. Hall Courthouse.

**MOTION: Cyndi Gilbert moved approval of the naming of the Tooele Courthouse as the “Gordon R. Hall Courthouse”. The motion was seconded by Mel Sowerby and passed unanimously.**

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

Randall Funk, University of Utah, provided the administrative report for January 12 to February 23, 2007. There were six design agreements, three programming agreements and one study agreement awarded for the period. Four remodeling contracts were also awarded.

Mr. Funk mentioned that the University has more than 300 projects and more than \$1 billion of projects that will occur in the next four or five years.

**MOTION: Steve Bankhead moved to accept the administrative report of the University of Utah. The motion was seconded by Manuel Torres and passed unanimously.**

Darrell Hart, Utah State University, provided the administrative report for January 10 to February 21, 2007. There were three professional contracts and one construction contract awarded for the period. The current delegated project list reported that of USU’s 68 projects, five are complete, 12 are substantially complete, 25 in construction, 16 in the design/study phase and nine are pending.

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

**☐ ADMINISTRATIVE REPORTS FOR DFCM .....**

Kent Beers provided the administrative report for DFCM for the period of January 9 to February 20, 2007. There were 22 architect/engineering agreements awarded and 12 construction contracts awarded for the period. Project reserve funds were used for the SUU Electronic Learning Center Remodel, USDC Old School Building Demolition, and West Jordan Courts Facility Courtroom #33 Build-out.

Keith Stepan stated there is some concern about the dwindling contingency and project reserve due to inflationary costs in construction. This year DFCM offered the Legislature \$1.5 million to \$2 million of the reserves to be reallocated to pay for the Southwest ATC

additional property in Cedar City. DFCM is being very cautious about future distribution of funds in anticipation of the continuing trend.

**ADJOURNMENT**.....

**MOTION: Mel Sowerby moved to adjourn at 10:03am. The motion was seconded by Manuel Torres and passed unanimously.**