

Contact: Joan Racki

MINUTES OF FEBRUARY 6, 2014, COMMITTEE MEETING

**BOARD OF REGENTS, STATE OF IOWA
PROPERTY AND FACILITIES COMMITTEE**

**MAUCKER UNION
OLD CENTRAL BALLROOM, ROOMS A AND B
UNIVERSITY OF NORTHERN IOWA
CEDAR FALLS, IOWA**

Committee Members Present

Regent Milt Dakovich, Chair

Regent Larry McKibben

Doug True, University of Iowa Senior Vice President & Treasurer, Finance & Operations

Warren Madden, Iowa State University Senior Vice President for Business and Finance

Michael Hager, University of Northern Iowa Vice President for Administration & Financial Services

Patrice Sayre, Board of Regents Chief Business Officer

Presenters

Joan Racki, Board of Regents, Policy and Operations Officer

Rod Lehnertz, University of Iowa Director of Planning, Design and Construction; Department of Facilities Management

David Miller, Iowa State University Associate Vice President, Facilities Planning and Management

Morris Mikkelsen, University of Northern Iowa Associate Vice President, Facilities Planning

Pete Englin, Iowa State University Director, Department of Residence

Nancy Keller, Iowa State University Director, Campus Dining Services

Other Regents at the Committee Table

Robert Downer, Ruth Harkin

Chair Dakovich called the meeting to order at 9:05 a.m.

Minutes of December 4, 2013, Committee Meeting

The minutes of the December 4, 2013, meeting as presented were accepted by General Consent.

Facilities Governance Report

Policy and Operations Officer Joan Racki presented an overview of the Facilities Governance Report. Rod Lehnertz, University of Iowa Director of Planning, Design and Construction; Department of Facilities Management; David Miller, Iowa State University Associate Vice President of Facilities Planning and Management, and Morris Mikkelsen, University of Northern Iowa, Associate Vice President Facilities Planning presented information regarding facilities stewardship. Each provided facts and figures regarding institutional responsibilities for facilities, the condition and care of the facilities and deferred maintenance plans of action.

The Committee recommended to the Board by General Consent acceptance of the Facilities Governance Report, including the Board's reaffirmation of its support for continued inter-institutional collaboration and coordination on facility issues and the institutional correction of identified fire safety and deferred maintenance deficiencies within the limits of available resources.

Register of University of Iowa Capital Improvement Business Transactions

Senior Vice President Doug True presented the Register of University of Iowa Capital Improvement Business Transactions. The Committee, by General Consent, recommended to the Board approval of:

1. **College of Public Health Building – Fit Out Fifth Floor for Informatics** project, a major capital project as defined by Board policy:
 - a. Acknowledge receipt of the University's initial submission of information to address the Board's capital project evaluation criteria;
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - c. Authorize permission to proceed with project planning, including the design professional selection process.
2. Authorize permission to proceed, including the selection of Shive-Hattery as the design professional, for the **Steam Utility Enterprise Systems - Replace Riverside Drive / Grand Avenue Steam Distribution System – Phase 1** project.
3. The following actions for the **UIHC Chronic Pain Clinic Relocation and Breast Imaging Center Relocations – 4 PFP** project, a major capital project as defined by Board policy:
 - a. Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria;
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - c. Approve the schematic design, and project description and budget (\$4,600,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.
4. A revised project budget (\$2,700,000) for the **UIHC Waterproofing Beneath John Pappajohn Pavilion Exterior Playcourt** project.

Register of Iowa State University Capital Improvement Business Transactions

Senior Vice President Warren Madden presented the Register of Iowa State University Improvement Business Transactions and noted that actions were requested for: Biosciences Facilities, Buchanan Residence Hall – Building #2, Friley Residence Hall – Dining Renovation, Jack Trice Stadium Improvements – Phase 3 South End Zone and Green Space, Iowa State Center Flat Space, Marston Hall Renovation, Lagomarcino Hall Office Remodeling and Willow Residence Hall – Perimeter Wall Modifications projects.

During the presentation of the items on the Register, there were a number of questions related to the Buchanan Residence Hall – Building #2 and the Iowa State Center Flat Space projects. Some are summarized below.

Senior Vice President Madden noted that the Buchanan Residence Hall – Building #2 project would respond to the growing demand for housing, with the potential to add up to 700 beds to the residence system. Regent Downer asked that as the project moves forward that in addition to the building plans and cost estimates, that financial projects and feasibility studies for the entire residence system be provided so that the proposed, new facility would not be looked at in isolation. Senior Vice President Madden assured Regent Downer that comprehensive pro formas would be provided when the project returns to the Board for further action should the Board grant permission to proceed with planning.

Regent Harkin asked about alternatives to construction of a new residence hall and how Iowa State University's policy / philosophy regarding housing compares to that of the other Regent universities. Senior Vice President Madden responded that the number of students residing in the system (11,200) is not quite double the number housed at the University of Iowa. Iowa State University's number reflects the nature of the institution and the community structures. The University has been able to develop residence hall facilities on three sides of the campus and these locations and the types of housing options are attractive to students. For example, engineering students like living on the west side of campus, close to many of their laboratories.

Peter Englin, Director for the Department of Residence noted that the Department likes to have at least 25% of the residence system spaces filled with students other than freshmen to help the freshmen transition successfully to the University; residing on-campus is adding value to the student experience. He noted that the demand is high and the University's return rate for on-campus housing is almost unheard of nationally.

With regard to the Iowa State Center Flat Space project, Senior Vice President Madden explained that the project will not move ahead without City of Ames voter approval of the bond referendum on March 4, 2014. He also noted that the City of Ames Visitor and Convention Bureau would sign an agreement with the University to cover any operating deficits that may occur once the project is completed. The flat space could be used as banquet space for University functions and job fairs.

Regent Harkin asked about the early voting, other agreements with the City of Ames and alternatives if the bond referendum does not pass. Senior Vice President Madden responded that absentee voting had started, there are no other facility agreements except the Ice Arena with the City of Ames, and that regardless of whether the referendum is successful or not, the University will need to address the updating of the Scheman Building.

In response to a question from Regent Downer regarding potential flooding, Senior Vice President Madden responded that the site will be elevated and flood proof precautions were taken to protect the lower portion of the Scheman Building after the 2010 flood.

The Committee, by General Consent, recommended to the Board approval of:

1. The following actions for the: **Biosciences Facilities, Buchanan Residence Hall – Building #2, Friley Residence Hall – Dining Renovation, Jack Trice Stadium Improvements – Phase 3 South End Zone and Green Space, and Iowa State Center Flat Space** projects:
 - a. Acknowledge receipt of the University's initial submission of information to address the Board's capital project evaluation criteria;
 - b. Accept the Board Office recommendation that the projects meet the necessary criteria for Board consideration;
 - c. Authorize permission to proceed with project planning for the Biosciences Facilities project including the design professional selection process, the continued use of The S/L/A/M Collaborative for the formal building program, and consideration of the use of an alternative construction delivery method other than the normal design-bid-build process for the project;
 - d. Authorize permission to proceed with project planning for the Buchanan project including the design professional selection process, and consideration of the use of an alternative construction delivery method other than the normal design-bid-build process for the project;
 - e. Authorize permission to proceed with project planning for the Jack Trice project, including the design professional selection process and the selection of The Weitz Company as construction manager – agent;
 - f. Authorize permission to proceed with project planning, including the design professional selection process and consideration of the use of the construction manager agent delivery method, for the Iowa State Center Flat Space project, subject to City of Ames voter approval of the sale of up to \$19 million in bonds at a March 4, 2014 referendum.
2. The following actions for the **Marston Hall Renovation** project:
 - a. Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria;
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - c. Approve the schematic design, and project description and budget (\$24,100,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.
3. The revised project descriptions and budgets for the **Lagomarcino Hall Office Remodeling** (\$5,443,500) and **Willow Residence Hall – Perimeter Wall Modifications** (\$3,300,000) projects.

University of Iowa Update of Flood Recovery Status

Senior Vice President Doug True presented the report. He noted that the previous week a construction contract was awarded for the last major restoration / mitigation project. The Mayflower project is underway and the City of Iowa City plans to elevate Dubuque Street and raise the Park Road bridge. Further information on the proposed Request for Qualifications for the Museum of Art Replacement facility will be brought forward in March; the University plans to work with a developer on the project and has engaged the firm of Lord Cultural Resources. Director Lehnertz noted that in addition to the work done to date, the University plans to use the firm for the programming of the new facility.

The Committee received the report by General Consent.

Iowa State University – Off Campus Housing Agreements

Policy and Operations Officer Joan Racki asked Senior Vice President Warren Madden to explain the one lease amendment and one lease for the benefit of Iowa State University.

By General Consent, the Committee recommended to the Board approval of one lease amendment and one Agreement for the benefit of the Iowa State University subject to approval of the final documents by the Board Office:

1. Amendment #1 to Off-Campus Housing Agreement with The Ridge at Fountainview, L.C. (Jensen Properties) dated May 15, 2013, for the benefit of Iowa State University.
2. Off-Campus Housing Agreement with The Ridge at Fountainview, L.C. (Jensen Properties) for the benefit of Iowa State University for the 2014-15 academic year for 16 apartment buildings (564 beds) located on Walton Drive and Maricopa Drive in west Ames from August 1, 2014 to July 31, 2015 for an annual amount of \$2,932,308.

Discussion of Future Committee Agenda Items

Policy and Operations Officer Joan Racki noted that the discussion of future items would occur at the March meeting.

OTHER BUSINESS

Chair Dakovich adjourned the meeting at 11:15 a.m.

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934.