REGISTRATION OF UNIVERSITY OF IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS

Actions Requested: Consider approval of:

1. Permission to proceed with project planning, including the architectural selection process, for the Power Plant – Replace Dense Phase Coal Handling System project.

2. The following actions for the Flood Recovery – Replace Original Art Building Complex 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 (see Attachment A);

   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 architectural selection process.

Executive Summary: The Power Plant - Replace Dense Phase Coal Handling System project would replace the aging dense phase coal handling system with a modernized mechanical conveyor-based system. See Attachment B for map.

The Main Power Plant dense phase coal transport system (pneumatic conveyance) was installed nearly 25 years ago as part of major plant upgrades associated with the installation of a new circulating fluidized bed boiler. At the time of installation, dense phase transport was a widely used and acceptable material handling technology. Since that time, the age and system design have revealed increasing shortcomings, including system safety concerns, frequent system failures, high and increasing maintenance costs, and high auxiliary power requirements. The original manufacturer of the existing system no longer markets this product for new coal conveying applications, although parts remain available for needed repairs.

In 2008, a material handling master plan study conducted by Lutz, Daily & Brain from Overland Park, Kansas, recommended replacement of the dense phase system with a modern conveyor-based system. The University estimates that this replacement would reduce Power Plant maintenance by $250,000 per year, and reduce plant compressed air usage and its associated energy consumption by $100,000 per year.

The estimated project cost of $10 million would be funded from Utility System Improvement funds and/or Utility System Revenue Bond funds.

The Flood Recovery – Replace Original Art Building Complex project would construct a new facility or complex of facilities to replace the flood-damaged Art Building complex located east of North Riverside Drive. The new facility would include all existing programs contained within the original Art Building and its surrounding additions. Site selection investigations have identified land sites that are free from any concerns of future flooding on both the north and south sides of
River Street. Because components of the sites are privately owned, additional investigation would include coordination with the land owners, the City of Iowa City, FEMA, and the Regents. See Attachment C for map.

It is expected that the new facility, consisting of approximately 113,000 gross square feet, would replace the current square footage of 105,000 gross square feet plus necessary increases (assumed at 8,000 gross square feet) to comply with current codes. Given program growth and refinements, other physical needs will be considered as part of the replacement effort. These program upgrades would be designed and funded independently of Federal Emergency Management Agency (FEMA)-supported replacement work.

The estimated project cost of $60 million would be funded by a combination of insurance proceeds, FEMA funds, Academic Building Revenue Bond proceeds, and University funds.

**Details of Projects:**

**Power Plant - Replace Dense Phase Coal Handling System**

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**Flood Recovery – Replace Original Art Building Complex**

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Attachment A

Flood Recovery
Replace Original Art Building Complex

Responses to Board Evaluation Criteria for Major Capital Projects

Fulfillment of Mission and Strategic Plan

Recognized nationally for both its art history and studio arts programs, the UI School of Art and Art History is uniquely noted for the physical and thematic ties of studio art to history. The original Arts Campus was developed on this premise and the award winning Art Building West solidified this unique and special relationship of the different arts disciplines.

The flood of 2008 forced the various aspects of the arts to many different and scattered interim locations; and while the Art Building West will be recovered, the damage suffered by the original 1936-built Art Building was among the worst on campus. Following FEMA's offer to consider replacement, and after careful study to reveal the value in replacing the building, the University has a unique opportunity to once again secure the meaningful special relationship between studio art and art history, and to do so in a well–designed facility built to accommodate modern teaching and studio practices.

Alternatives Explored

In June of 2008, record floods damaged major portions of the UI campus. 22 major facilities were flooded and since that time significant efforts have been made to recover and protect the campus from future flooding. A key partner in the entire recovery process has been the Federal Emergency Management Agency (FEMA). Following FEMA’s investigation of the campus and damaged facilities, on January 26th, 2009, it was announced that both the Hancher/Voxman/Clapp complex and the original Art Building complex were damaged to a point that replacement should be considered and would be financed at the 90% level by FEMA. The University, working with consultant experts evaluated both repair and replacement options. A combination of cost factors, long-standing and growing challenges within the existing facilities, and critical issues related to remaining within a site susceptible to future flooding, led to the conclusion that identified replacement as the most responsible option. Following the UI investigation, at the April 2009 Board of Regents meeting, the Board endorsed a plan to replace these facilities.

Siting of the new studio art space is a critical component to success of the School of Art & Art History. While much of the existing Arts Campus is susceptible to future flooding, the adjacency of Art Building West (in process to be recovered) to any new art studio space is considered a highest priority to the School and institution. The currently proposed sites are located near the heart of the visual arts home and are free from any concerns of future flooding. Other locations considered would have required a physical separation of art studio functions and a decoupling of
art history and studio arts that has been recognized as a core of the School’s long-term success.

Abandoned/
Transferred/
Demolished
Space

This project, on site(s) currently proposed, will require the purchase of and demolition of privately owned structures. Two current UI functions would need to be addressed as part of this siting. 109 River Street is a former fraternity owned by the UI and used for graduate level painting studios. Should this structure be removed for purposes of gaining a higher degree of land use efficiency, the painting studios would be programmed within the new building or relocated to UI-owned space. 108 River Street is currently being leased by the UI for interim flood recovery needs of the Theater Department. It is anticipated that this interim solution will be discontinued as the Theater Building permanent flood recovery is completed.

The original Art Building and the various additions to it would be razed as part of this replacement proposal endorsed by FEMA. The space within the structures to be removed will be accounted for within the new facility. The University will also work with FEMA historians to address the potential removal or retention/recovery of any historic structures.
Location Map:

Power Plant - Replace Dense Phase Coal Handling System