REGISTRATION OF UNIVERSITY OF IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS

Actions Requested: Consider approval of:

1. The following actions for the John Pappajohn Pavilion - Main OR Suite Operating Room
   Replacements 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 (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 design professional
      selection process.

2. Permission to proceed with project planning for the Oakdale Utility Power Plant – Connect
   Utility Services to Biomedical Research Support Facility project.

3. The following actions for the Biomedical Research Support Facility (formerly Oakdale
   Vivarium) – Construct Facility project:
   a. Acknowledge receipt of the University’s final submission of information to address the
      Board’s capital project evaluation criteria (see Attachment B);
   b. Accept the Board Office recommendation that the project meets the necessary criteria for
      Board consideration;
   c. Approve the schematic design, project description and budget ($33,868,000), and design-
      build team finalists as outlined in this memorandum, with the understanding that approval
      will constitute final Board approval and authorization to proceed with construction; and
   d. Approve the razing of the Oakdale Research Building, Botany Greenhouse and Storage
      Buildings D-G, located on the site of the new facility.

(ROLL CALL VOTE)

Executive Summary:

The University requests permission to proceed with project planning for one project at UIHC and
one project for the University’s research campus. The John Pappajohn Pavilion - Main OR
Suite Operating Room Replacements project would renovate approximately 4,400 gross
square feet of space into four replacement operating rooms and associated sterile supply
facilities. This space on the fifth level of the John Pappajohn Pavilion is immediately adjacent to
UIHC’s main operating room suite on level five of the John Colloton Pavilion. The estimated
project cost of $12.5 million, exclusive of furniture and equipment, would be funded by
University Hospitals Building Usage Funds. The space to be renovated currently houses the
Current Pain Clinic which would be relocated to space on the fourth level of the Pomerantz Family Pavilion as a separate project.

The University also requests permission to proceed with project planning for the **Oakdale Utility Power Plant – Connect Utility Services to Biomedical Research Support Facility** project, which would improve the reliability and redundancy of the University’s Research Campus chilled water services, as well as serve a new facility addition. The project consists of two components: installation of chilled water piping from the Information Technology Facility to the State Hygienic Laboratory and the addition of chiller capacity at the Oakdale Utility Power Plant. The estimated project cost of $5 million would be funded by Utility Renewal and Improvement Funds. (A map showing the location of the proposed project is included as Attachment C.)

Advancements in health science research and recruitment of top-notch researchers in a wide range of fields require that appropriate and sufficient space be provided. The University has found it increasingly difficult to maintain standard industry regulations in facilities that do not provide basic operational needs and are aging. The **Biomedical Research Support Facility (formerly Oakdale Vivarium) – Construct Facility (BRSF)** project, in combination with the fit-out of shelled biomedical research support space within the Pappajohn Biomedical Discovery Building (for which Board approval of the schematic design and budget was granted in June 2013), would accommodate the needs for University health science research for the next 15 years.

The University requests approval of the schematic design, project description and budget ($33,868,000) and design-build finalists (Miron Construction [Cedar Rapids] / AHTS Architects [Architect of Record] – Waterloo), with Plunkett Raysich Architects (Milwaukee); JE Dunn (West Des Moines) / INVISION (Architect of Record – Des Moines); and Carl A. Nelson & Company (Burlington) / HEERY Design (Architect of Record – Iowa City) for the **BRSF** project. A schematic design booklet for the project is included with the Board’s agenda materials. The project would be funded by Research Indirect Cost Recoveries, College of Medicine Gifts and Earnings, and Treasurer’s Temporary Investment Income.

The siting of the project, which would include biosafety level 1 and 2 vivarium and related support and administrative space, requires the razing of the Oakdale Research Building, Botany Greenhouse and Storage Buildings D-G as shown on Attachment D. Approval of the razing is requested in accordance with *Iowa Code §262.11* and the Board’s *Policy Manual §9.02*. 
Details of the Projects:

John Pappajohn Pavilion – Main OR Suite Operating Room Replacements

Project Summary

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
<th>Date</th>
<th>Board Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permission to Proceed with Project Planning</td>
<td></td>
<td>Aug. 2013</td>
<td>Requested</td>
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<tr>
<td>Project Evaluation Criteria</td>
<td></td>
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</tbody>
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Over the past few years, the surgical service departments at UIHC have been successful in recruiting a number of new and highly trained surgeons to meet the growth in the number of patients who require very specialized and sub-specialized surgical procedures. As a result, there has been an increase in the total annual number of main operating room (MOR) suite surgical procedures and their level of complexity. To continue to support this growth in surgical volume, new and larger operating rooms that can support new technology are needed.

This project represents the second phase in development of replacement operating rooms, with two new rooms put into service in October 2012. Completion of this second phase would ultimately result in the closure of six small, former outpatient operating rooms located on the east side of the MOR suite on level 5 of the Colloton Pavilion, in what is called MOR-East. The development of the replacement operating rooms will make it possible to consolidate all inpatient operating rooms in contiguous space on the west side of the Colloton and Pappajohn Pavilions. It will also make possible the future conversion of the vacated main operating rooms and support facilities for expanded surgical patient preparation and recovery facilities.

The new rooms, which will be approximately 250 square feet larger than those in MOR-East, will be large enough and contain the appropriate infrastructure to support new technology, such as robotics and minimally-invasive procedures which cannot be performed in MOR-East due to space and infrastructure constraints.

In addition, accommodating the more extensive air handling requirements of the four new operating rooms and their support facilities will require installation of a new air handling unit in a mechanical penthouse serving the west side of Pappajohn Pavilion.
Oakdale Utility Power Plant – Connect Utility Services to Biomedical Research Support Facility

Project Summary

| Permission to Proceed with Project Planning | Aug. 2013 | Requested |

The new looped piping, which would allow for a connection to the Biomedical Research Support Facility, would improve the campus chilled water system reliability by establishing a backup chilled water source to the State Hygienic Laboratory. Additionally, excess chilled water generating capacity at the State Hygienic Laboratory will be available to serve the Research Campus.

The new waste heat / hot water absorption chiller capacity to be added to the Oakdale Utility Power Plant would serve the new Biomedical Research Support Facility, increase the reliability of the Plant, and reduce operational costs with the use of waste heat.

Biomedical Research Support Facility (formerly Oakdale Vivarium) - Construct Facility

Project Summary

| Permission to Proceed with Project Planning | Apr. 2012 | Approved |
| Initial Review and Consideration of Capital Project Evaluation Criteria | Apr. 2012 | Received Report |
| Use of Alternative Delivery Method - Design-Build Bridging | Sept. 2012 | Approved |
| Design Professional Agreement - Bridging Documents (Rohrbach Assoc., Iowa City) | $943,000 | Feb. 2013 | Not Required* |
| | | July 2013 | Not Required* |
| Schematic Design | Aug. 2013 | Requested |
| Project Description and Budget | 33,868,000 | Requested |
| Approval of Design-Build Team Finalists | Aug. 2013 | Requested |

*Approved by Executive Director, consistent with Board policies

A request for qualifications (RFQ) for the project was provided on the University’s Facilities Management website, consistent with the method used for soliciting bids for capital projects.
The University received eight RFQ submittals; University and Board Office personnel reviewed each of the submittals, utilizing the point system criteria approved by the Board at its October 2012 meeting.

The Design-Build teams receiving the highest scores based on their responses to the RFQ were: Miron Construction / AHTS Architects, with Plunkett Raysich Architects; JE Dunn / INVISION; and Carl A. Nelson & Company / HEERY Design.

Pending approval by the Board, the University will deliver to these teams the Project Requirement Manual, (developed by Rohrbach Associates, the design/build bridging consultant,) which will define the program, building layout and the performance requirements, thereby allowing for responses to the Phase 2 Request for Proposals. Following the Regent approved selection criteria point system, the Design-Build team that receives the highest RFP point total will be selected and will complete the design and construct the new facility.

The following summarizes the spaces included in the building program and schematic design:

<table>
<thead>
<tr>
<th>Function</th>
<th>Net. Assign.</th>
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<tbody>
<tr>
<td>Research Support &amp; Laboratories</td>
<td>19,413</td>
</tr>
<tr>
<td>Loading / Service / Dock Support</td>
<td>2,550</td>
</tr>
<tr>
<td>Lockers Space / Offices</td>
<td>2,031</td>
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<tr>
<td>Storage</td>
<td>1,056</td>
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<tr>
<td>Subtotal</td>
<td>25,050</td>
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<tr>
<td>Shell Space – Future Research Support</td>
<td>7,168</td>
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<tr>
<td>Grand Total</td>
<td>32,218</td>
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</tbody>
</table>

It is anticipated that the facility will total approximately 53,630 gross square feet and designed for future expansion.

The exterior design of the facility will be cohesive with, in material and color, the existing State Hygienic Laboratory and BioVentures facility. RFP submittals by the Design-Build finalists will be asked to address this intent. Any significant design differences from that described above will be communicated to the Board of Regents.

The project will allow for the replacement or removal of several inadequate or antiquated facilities. Buildings which would be razed include the Oakdale Research Building (3,039 gross square feet, constructed in 1912), Botany Greenhouse (1,983 gross square feet, constructed in 1973) and Storage Buildings D-G (5,285 gross square feet each, all built in 1987). A portion of the functions located in the Oakdale Research Building have been relocated to the nearby Multi-Tenant Facility and the remainder will be relocated within the Biomedical Research Support Facility and Pappajohn Biomedical Discovery Building. The Botany Greenhouse is currently not being used. Storage Buildings D-G house temporary and permanent storage. Occupants have been directed to consolidate and relocate no later than September 30, 2013.
Project Budget

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
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<tbody>
<tr>
<td>Construction</td>
<td>$28,292,919</td>
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<tr>
<td>Planning and Design</td>
<td>2,975,692</td>
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<tr>
<td>Contingency</td>
<td>2,599,389</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$33,868,000</strong></td>
</tr>
</tbody>
</table>

Source of Funds: Research Indirect Cost Recoveries, College of Medicine Gifts and Earnings and Treasurer’s Temporary Investment Income

Construction is scheduled to commence in late 2013. All construction is scheduled to be completed in November 2015.
John Pappajohn Pavilion – Main OR Suite Operating Room Replacements

Evaluation Criteria

Since the project meets the Board’s definition of a major capital project, the University has provided the following information in response to the Board’s evaluation criteria.

Institutional Mission / Strategic Plan: Completion of this project will contribute to UI Hospitals and Clinics’ efforts in meeting all elements of the UI Health Care mission, “Changing Medicine, Changing Lives.” It will greatly enhance the UI Hospitals’ capabilities for delivering superb patient care, innovative educational programs and facilitating pioneering discoveries. The project is also supportive of each of the six major goals that have been established in UI Health Care’s Strategic Plan by providing the facilities that are required to assist UI Health Care’s efforts 1) to provide world class healthcare services to optimize health for everyone, 2) to advance world class discovery through excellence and innovation in biomedical and health services research, 3) to develop world class health professionals and scientists through excellent, innovative and humanistic educational curricula for learners at every stage, 4) to foster a culture of excellence that values, engages and enables our workforce, 5) to create an environment of inclusion where individual differences are respected and all feel welcome, and 6) to optimize a performance-driven business model that assures financial success.

Other Alternatives Explored: There are no alternatives that could be implemented that would efficiently address the need for replacement of the spatially and functionally inadequate former outpatient operating rooms with contemporary new operating rooms designed to accommodate complex surgical procedures and provide the necessary space for new surgical instrumentation and technologies. As previously noted, the project will also result in freeing-up space that is essential in the future development of expanded surgical patient preparation and recovery facilities to enhance MOR Suite operational efficiencies and meet patient’s expectations for private prep and recovery stations.

Impact on Other Facilities and Square Footage: This project will not result in the abandonment or demolition of existing facilities. The vacated MOR East operating rooms will be converted to needed surgical patient prep and recovery facilities and other MOR support facilities.

Financial Resources for Construction Project: The project will be funded with University Hospitals Building Usage Funds acquired from depreciation allowances of third parties underwriting the cost of patient care plus hospital net earnings from paying patients. No state capital appropriated dollars will be involved. The estimated internal rate of return over the life of this project is 14%.

Financial Resources for Operations and Maintenance: No significant change in operating expenses is expected. The source of funds to cover the associated operating and maintenance costs will be hospital operating revenues derived from providing patient care services.

External Factors Justifying Approval: The development of these facilities is a vital element in enabling the UIHC to meet all components of its tri-partite mission. The UIHC continues to experience an increase in surgical case volume. This project will provide the MOR suite with the necessary space for it to meet the continued growth in patient service volume and allow for the closure of the MOR East rooms to make room for additional surgical patient prep and recovery facilities.
The project's design will meet all building codes and standards, as well as the most recently published 2010 Edition of the Guidelines for Design and Construction of Hospital and Healthcare Facilities, published by the Facility Guidelines Institute. These guidelines regulate hospital licensing and construction in Iowa and most other states and are used by Medicare and The Joint Commission to develop new regulations and standards. The design will also meet Health Insurance Portability and Accountability Act (HIPAA) requirements for patient privacy and confidentiality.
Biomedical Research Support Facility - Construct Facility
(formerly Oakdale Vivarium)

Evaluation Criteria

Since the project meets the Board’s definition of a major capital project, the University has provided the following information in response to the Board’s evaluation criteria.

**Institutional Mission / Strategic Plan:** Vivarium space and the functions within those spaces are a critical component to a wide range of important research performed on the University of Iowa campus. Recruitment of top researchers is central to the success of all research-oriented colleges at the UI and the state of facilities to support cutting edge research is a top priority for those potentially interested in joining the university. Modern and efficient facilities also promote successful research endeavors and help to ensure that current researchers will remain at the UI despite a competitive pursuit for top talent on a national and international level.

The University of Iowa has achieved great strides in providing teaching and research space that meet these objectives. However, the growing and developing needs for research support space/functions has been addressed, primarily in outdated and aging spaces. The addition of top-notch researchers and associated research grants in an increasingly wide range of research areas has placed a premium on suitable support space and is currently threatening the capability of the UI to address these needs, now and in the years to come.

Additionally, as standard industry regulations are developed and refined, the UI has found increasing difficulties in maintaining those requirements in facilities that are aging and do not provide basic operational needs.

The construction of this new space, in combination with the fit-out of shelled vivarium space within the Pappajohn Biomedical Discovery Building will accommodate the base needs for health science research for the next 15-20 years. The combination of these projects will allow for the replacement/removal/modernization of several inadequate or antiquated areas, and will ensure that research remains a cornerstone of UI success and impact.

**Other Alternatives Explored:** The proposed site for this facility is located within the University of Iowa Research Campus, within the research support and service area of the campus. After consideration of other sites within the Oakdale area, it was determined that land availability and adjacencies to other research space and service roadways would best fit the needs of this function and building. As a basic structure it will effectively fit into the Oakdale service district. Use of the land to accommodate this vivarium facility compliments the UI campus master plan for the area and the intent to combine support and service functions in an area suitable for this development and building type.

**Impact on Other Facilities and Square Footage:** The proposed site for this facility will require the demolition of several aging structures. The programs/functions to be removed will be incorporated within the program of this project or relocated to other campus facilities. Completion of the project will allow the University to advance removal of varied and very outdated vivarium space on the Oakdale Campus.

**Financial Resources for Construction Project:** Research Indirect Cost Recoveries, Medicine Gifts and Earnings and Treasurer’s Temporary Investment Income.
Financial Resources for Operations and Maintenance: General Education Funds - Indirect Cost Recoveries.

External Forces Justifying Approval: There is increasing demand for technologically specialized equipment serving research needs on the Health Science Campus, and significant shortages on suitable space within the campus area.

This project is critical for the Office of the Vice President of Research to continue promoting research development by maintaining state of the art core facilities and making strategic investments to initiate and maintain programs with promise for success.