

Contact: Joan Racki

**FLOOD RECOVERY AUTHORIZATIONS (ISU)**

**Actions Requested:** Consider:

1. Ratifying the Executive Director's actions related to the utilization of capital project delivery and purchasing processes to recover buildings temporarily lost due to flood damage at Iowa State University, as outlined in the attached document.
2. Receiving the oral report on University flood recovery activities to date.

**Executive Summary:** During the week of August 8, 2010, substantial rain fell in the Ames area. Beginning on the evening of August 10, 2010, and continuing into August 11, 2010, Squaw Creek, which travels through the campus, and the Skunk River to the east created significant flooding in a number of University facilities.

On August 25, 2010, Executive Director Donley received a letter from Iowa State University Vice President for Business and Finance, Warren Madden, requesting authorization to utilize identified capital project delivery and purchasing processes to accelerate the recovery of buildings temporarily lost due to flood damage. Executive Director Donley made a finding of the need to institute emergency procedures under Iowa Code subsection 262.34.2 (see below) and authorized the use of the capital project and purchasing processes identified in the attachment to this agenda item. Board ratification of the Executive Director's actions is requested. (The processes requested by the University are similar to those authorized by the Board for flood recovery at the University of Iowa in 2008.)

**Background:** In 2009, the following subsection (subsection 2) was added to Iowa Code 262.34.

Notwithstanding subsection 1, when a delay in undertaking a repair, restoration, or reconstruction of a public improvement might cause serious loss or injury at an institution under the control of the state board of regents, the executive director of the board, or the board, shall make a finding of the need to institute emergency procedures under this subsection. The board by separate action shall approve the emergency procedures to be employed.

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David W. Miles, President, *West Des Moines*  
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Bonnie J. Campbell, *Des Moines*  
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Greta A. Johnson, *Le Mars*  
Craig A. Lang, *Brooklyn*  
Rose A. Vasquez, *Des Moines*

Robert Donley, *Executive Director*

August 25, 2010

Warren R. Madden  
Vice President for Business and Finance  
Iowa State University  
1350 Beardshear Hall  
Ames, IA 50011-2038

Dear Mr. Madden:

I am in receipt of your letter of August 25, 2010, detailing the University's request to utilize the capital project delivery and purchasing processes outlined in your Attachment A to recover buildings temporarily lost due to flood damage.

Under the provisions of Iowa Code, 262.34, I make a finding of the need to institute emergency procedures for the repair, restoration, and reconstruction of facilities damaged by the August 2010 flooding.

It is understood that the procedures outlined in your letter and Attachment A are subject to Board ratification and the request for this ratification will be included on the agenda for the September 16, 2010 Board meeting.

Sincerely,

Robert Donley

Attachments: Attachment A  
Madden Ltr

cc: Miles  
Geoffroy  
Hoffman  
Hill  
Ahoy  
Cain  
Inyang  
McCormick  
Meyer  
Miller  
Racki  
Sayre  
Sunstrom

Iowa State University  
Attachment A

Waiver of BOR Processes

The University seeks immediate temporary emergency-based authorizations and waivers to several capital project processes to allow it to deliver critically needed flood recovery projects in an expedited time frame. More specifically the University is seeking temporary waivers of specific provisions of the Board of Regents Policy Manual as follows:

- Section 9.03C:Capital Project Evaluation Criteria - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions
- Section 9.05:Permission to Proceed with Planning - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions.
- Section 9.06: Program Statements and Design Documents - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions.
- Section 9.07A, B, C, D, E, F, H: Program Descriptions and Budgets - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions and substitute a final budget reporting process following the completion of restoration projects. A budget projection would be provided to the Board Office in the course of seeking contractor pricing, or following determination of contractor pricing for restoration work.
- Section 9.08: Consultant Agreements and Amendments - request waiver of the requirements in this section and authorize the institution to approve agreements and amendments for recovery of affected buildings to pre-existing conditions.
- Section 9.09: Construction Contracts and Change Orders - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions. Authorize the institution to award individual construction contracts and change orders up to \$10,000,000 if in accord with *The Iowa State University 2010 Flood - Recovery Plan outlined in the attached letter dated August 25, 2010* and using Regents contracting conditions. Contracts would be shared with the Board Office immediately.

- Section 9.10A, B, C, D, F: Architect, Engineer and Construction Management Services Selection - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions. Authorize the institution to enter into individual agreements up to \$1,000,000 with agreements shared with the Board Office immediately.
- Section 9.12A: Preparation of Plans and Specifications - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions.
- Section 9.12B and D: Preparation of Plans and Specifications - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions.
- Section 9.13A, B, C: Bidding for Construction Contracts - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions and authorize the institution to employ a prequalification-based solicitation per The Iowa State University 2010 Flood - Recovery Plan.
- Section 9.14: Process for Bid Openings, Receipt of Construction Bids and Award of Construction Contracts - request waiver of the requirements of this section for recovery of affected buildings to pre-existing conditions and authorize the institution to employ a prequalification-based solicitation per The Iowa State University 2010 Flood - Recovery Plan.
- Section 9.15A: Construction - request waiver of the requirements in this section for recovery of affected buildings to pre-existing conditions. Authorize the institution to award individual construction contracts and change orders up to \$10,000,000 per *The Iowa State University 2010 Flood - Recovery Plan* and using Regents contracting conditions. Contracts would be shared with the Board Office immediately.
- Section 7.06B12 -- Organization and Responsibilities - request waiver of the requirements in this section to seek Board Office/Executive Director approval for equipment and fixed equipment purchases in excess of \$250,000 and to seek Board of Regents approval for equipment and fixed equipment purchase in excess of \$1,000,000 outlined in *The Iowa State University 2020 Flood-Recovery Plan*.

IOWA STATE UNIVERSITY  
OF SCIENCE AND TECHNOLOGY

Office of the Vice President  
for Business and Finance  
1350 Beardshear Hall  
Ames, Iowa 50011-2038  
515 294-6162  
FAX 515 294-1621

August 25, 2010

Robert Donley  
Executive Director  
Board of Regents, State of Iowa  
11260 Aurora Avenue  
Urbandale, IA 50322

Dear Mr. Donley:

Over the past several weeks there was substantial rainfall in central Iowa including the Ames area. As we have reported beginning the evening of August 10 and continuing into August 11, 2010 Squaw creek which travels through the campus and the Skunk River to the east created catastrophic flooding exceeding any previous flooding conditions significantly damaging a number of buildings. In addition to the flooding that occurred on campus and in the city of Ames, power outages and a five-day restriction of use of potable water occurred.

Several buildings and other physical assets at Iowa State University were affected to varying degrees by the storms and flooding. The restoration of several of these buildings is critical to serving the needs of the students, faculty, and staff, of the University as well as visitors to our campus. The recovery of buildings temporarily lost due to flood damage can be significantly accelerated by use of the project delivery processes proposed in Attachment A.

These proposed project delivery methods will require ISU administrative endorsement and Board of Regents authorization. Additionally, each proposed delivery method will need to be reviewed and coordinated with the insurance and FEMA funding requirements as they are known to assure that any recovery of costs is not jeopardized.

These authorized processes, as well as processes already in place, would be utilized in the following ways.

Hilton Coliseum and Scheman Building

Hilton Coliseum and the Scheman Building sustained significant damage to building finishes, mechanical systems, and electrical systems. The assessment of this damage is ongoing. Both buildings produce revenue for the university and have commitments for

future events. It is critical that Hilton Coliseum be open for the beginning of the men's and women's basketball season on November 4, 2010.

Because of the critical time frames, schedule constraints do not allow the scope of the project to be defined accurately and construction documents produced for bid before the construction must start. To meet these schedule requirements, the university proposes the use of a construction manager to assist university staff in the evaluation of the facilities and necessary work, packaging the work appropriately, and interfacing with the construction industry to identify capacity and capabilities. The university requests that the requirements of Board of Regents, State of Iowa Policy Manual, chapter 9, Section 9.10.D requiring approval to use construction management services be waived and an expedited selection process be approved in lieu of the typical construction manager interview and selection process for flood recovery efforts in these facilities. The university will select a construction manager based on their expertise and their ability to respond to the immediate scheduling constraints. Selection criteria will include experience at Iowa State University in a construction manager role, experience with flood reconstruction and associated insurance and FEMA processes, and previous experience with the specific facilities. At the conclusion of the interviews a decision can be made on award to a single construction manager or to multiple construction managers based on available resources of the interviewed firms.

Multiple work packages will be developed and will be individually bid or quoted. For critical work areas, the university proposes approval to work with a prequalified group of contractors. Selection criteria will include experience at Iowa State University, ability to respond on the required schedule, experience with flood reconstruction, and previous experience with the specific facilities. Initially prequalification is anticipated for general, mechanical, electrical, and telecommunications work but additional critical areas may be identified as the scope of the reconstruction work is further defined. Prequalified contractors would provide bids to the university following an abbreviated bidding period. Archival drawings would be provided to supplement walkthroughs of affected buildings. Any scope of work associated with significant re-purposing or renovations that differ significantly from the pre-flood condition of the facility would be accomplished separately.

The Board Office will be kept apprised of the firms selected and contract awards.

#### Family Resource Center

The Family Resource Center provides child care services to faculty, staff, and students of Iowa State University. This facility is currently out of service and, although it will reopen in a temporary, leased location, it is critical that this facility be restored to pre-flood conditions and returned to service as soon as possible. Damage to this facility is primarily to the building finishes.

The university proposes to accomplish this work by utilizing competitive purchasing processes, the small project bid process that is currently in place or the use of time and material and other service contracts that were in place prior to the flood. If critical work

is identified that cannot be accomplished via these methods, it may be necessary to waive this process and make a direct award for contracts anticipated to cost less than \$100,000. Plans & specifications can be minimized for this work and replaced by basic scope statements, marked Archival drawings, and contractor walkthroughs of affected spaces.

Lied Recreation Athletic Facility

The Lied Recreation Athletic Facility provides recreation space for faculty, staff, and students of Iowa State University, physical therapy services for the athletic department, and provides space for the soccer, softball, wrestling, and track athletic programs. With significant portions of the recreation space on campus out of service for the construction of the West Campus Recreation Facilities Expansion and Renovation project, it is critical that this facility be restored to pre-flood conditions and returned to service as soon as possible. Much of the damage to this facility occurred to specialty flooring and finishes.

The university proposes to accomplish this work by utilizing competitive purchasing processes, the small project bid process that is currently in place or the use of time and material and other service contracts that were in place prior to the flood. If critical work is identified that cannot be accomplished via these methods, it may be necessary to waive this process and make a direct award for contracts anticipated to cost less than \$100,000. Plans & specifications can be minimized for this work and replaced by basic scope statements, marked Archival drawings, and contractor walkthroughs of affected spaces.

Other Facilities

A number of other university buildings and physical assets were impacted to a lesser degree during the flooding but will require reconstruction work to restore them to pre-flood conditions.

The university proposes to accomplish this work by utilizing competitive purchasing processes, the small project bid process that is currently in place or the use of time and material and other service contracts that were in place prior to the flood. If critical work is identified that cannot be accomplished via these methods, it may be necessary to waive this process and make a direct award for contracts anticipated to cost less than \$100,000. Plans & specifications can be minimized for this work and replaced by basic scope statements, marked Archival drawings, and contractor walkthroughs of affected spaces

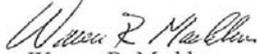
The university is requesting a waiver of the Board of Regents' processes as outlined in Attachment A.

We have been fortunate that there have been no serious injuries or deaths. Based upon the efforts of university staff, students, city of Ames staff, community citizens and volunteers we have been able to accommodate the move-in of all the incoming students and begin classes on August 23 with relatively little disruption. Through established contracts with professional clean up firms significant progress has been made to complete emergency protective measures, undertake hazard mitigations, begin recovery operations, and prepare for restoration and further mitigation efforts.

The university will maintain direct communication with the Board Office throughout this challenging effort. We are benefitting from the experience and assistance that the University of Iowa has been providing after their 2008 floods and the Iowa Homeland Security and Emergency Management Division representatives.

Thank you for your and the Board staff's understanding and support.

Sincerely,



Warren R. Madden  
Vice President for Business and Finance

cc: Geoffroy  
Hoffman  
Hill  
Ahoy  
Cain  
Inyang  
McCormick  
Meyer  
Miller  
Racki  
Sayre  
Sunstrom