AGENDA ITEM 4d NOVEMBER 2-3, 2005

Contact: Joan Racki

UNIVERSITY OF IOWA UNIVERSITY HYGIENIC LABORATORY

<u>Action Requested</u>: Receive a report from the University of Iowa on the University Hygienic Laboratory facilities.

Executive Summary: At its September 2005 meeting, the Property and Facilities Committee asked the University of Iowa to provide a tour of the University Hygienic Laboratory at the November Board meeting in Iowa City, in anticipation of a capital project for the facility being presented to the Property and Facilities Committee and the Board at a later date.

As background for the tour, the University has provided the attached report on the status of the University Hygienic Laboratory facilities. The University requests endorsement of plans to maintain the critical capabilities of Iowa's public health laboratory.

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The University of Iowa University Hygienic Laboratory Facility November Board of Regents Docket

<u>Action Requested</u>: Receive a report on the status of the University Hygienic Laboratory facilities and endorse plans to maintain the critical capabilities of lowa's public health laboratory.

Background:

The University Hygienic Laboratory (UHL) was established in 1904 as the state's public health laboratory and operates under authorities provided in Sections 263.7 and 263.8 of the <u>lowa Code</u>. In addition to important work to preserve the quality of air, water and soil of the State of lowa, UHL provides critical public health services to detect and help aid in the prevention of outbreaks of infection, afflictions due to chemical contamination or metabolic disorders, bioterrorism and illness resulting from radiation.

Approximately 75% of UHL operations are conducted from the Oakdale Campus in a building known as Oakdale Hall. A map of the Oakdale Campus showing the existing Oakdale Hall site is attached.

Approximately 25% of UHL operations are conducted at new laboratories in Ankeny co-located with the State Crime Laboratory, the State Medical Examiner and the State Agriculture Department Laboratory. The Ankeny laboratories were constructed by the State for this purpose and occupied in the spring of 2005.

The UHL provides a statewide service for hospitals, counties, individuals and state agencies. The mission of the laboratory is to provide analytical testing, consultation, training, quality assurance, and research in support of governmental entities and activities. A team of approximately 200 professionals is dedicated to protecting the health of lowa's environment and population

The following table depicts many of the testing capabilities of the two sites.

Oakdale	Ankeny
Prenatal Screening (Pregnant Women)	Newborn Screening (Heelstick, PKU etc)
Streams & Lakes (Eastern Iowa)	Streams and Lakes (Western Iowa)
Drinking Water (Cities and Private Wells)	Drinking Water (Cities & Private Wells)
Ambient Air and Air Toxics	Laboratory Training
Laboratory inspection and licensure	Childhood Lead
Rabies in animals to protect humans	Metals (Mercury, Cadmium, etc)
Pesticides and other hazardous chemicals	Wastewater
Terrorism Response	Terrorism Response
Radiation in air, water and humans	
Viruses (West Nile, Influenza, etc)	
Bacteria (E. coli, Legionnaire's, etc)	
Food Poisoning Detection & Prevention	

Oakdale Hall, built in 1917 as a tuberculosis sanatorium was not designed to house laboratory facilities. This facility is the oldest state public health laboratory facility in the United States. It is not adequate to meet the present and future demand for environmental and public health laboratory services, particularly those related to infectious disease outbreaks and bioterrorism. This inadequacy has grown through the years of UHL's occupancy of Oakdale Hall.

Compounding this facilities problem, over the last five years UHL's operating appropriation has declined by 8.4% while the Oakdale Campus appropriation (that which supports Oakdale Hall operations and maintenance costs for UHL) has declined 17%. Appropriation reductions imposed on these two budgets since FY 2001 total \$904,000 annually.

The University will provide Board members an opportunity to tour the existing facility during the time of the November 2005 Board meeting in Iowa City.

Current Status:

Construction of a new Hygienic Laboratory facility at the Oakdale Campus would provide a number of advantages for lowans, including:

- Strengthen capacity to meet infectious disease outbreaks;
- Improve protection for lowa's homeland security infrastructure;
- Provide greater flexibility and access to information, and rapidity of response to changing health and environmental challenges;
- Maximize the efficiency of the laboratory space for taking greater advantage of limited operating resources.
- Accomplish important adjacencies to the Biology and Chemistry laboratories.
- Provide additional external funding opportunities, contributing to lowa's economic development; and

Critical to the replacement of the UHL facility is finding opportunities to build on existing partnerships with other State agencies and with the Federal Government. The UHL has as primary state partners the Department of Natural Resources and the Department of Health. These two agencies sponsor testing by the UHL and the transmittal of federal pass-through funds that partially support UHL.

In March 2002, the Board approved the University's request for permission to proceed with project planning for construction of a new facility to house the University Hygienic Laboratory. The Board subsequently approved the selection of OPN as architect for the project. The agreement with OPN was taken to the Board and approved in November 2002. In the March, 2002, docket, the Board was also informed of the following:

"The Hygienic Laboratory has received an initial federal appropriation of \$1,000,000, which is being administered by the Centers for Disease Control and Prevention to strengthen its capacity through a project at the Hygienic Laboratory. Of this amount, up to \$300,000 can be spent for project planning for a new facility."

In July, 2005, the University submitted an application to the Health Resources and Services Administration for a \$1.4 million grant to complete construction design documents to replace the existing facility which would also serve as the Midwest Regional Center for Public Health Laboratory Preparedness. This grant was awarded in late September. As a Midwest regional center, UHL would serve as a laboratory site to provide surge capacity and support for the states in the Midwest and even beyond when epidemics, emergencies and acts of terrorism compromise the capacity of other states' facilities. Never has it been more evident that states need to support each other in times of national disasters and related public health crises.

Specifically, the \$1.4 million in Federal grant funding is being used to complete schematic design, design development and construction documents, a process which is estimated to take approximately 10-12 months.

The new facility is currently envisioned to be two stories plus basement with 119,500 gross square feet to be located on the Oakdale Campus at an estimated project cost of \$36 million.

Operations and maintenance costs are projected to be \$1,550,000 annually. Oakdale Hall would subsequently be partially or totally razed. The current operations and maintenance cost for Oakdale Hall is \$1.7 million annually.

On behalf of the public health interests of Iowa, the University is seeking Board approval and support to pursue capital funding options and opportunities with both State and Federal partners.

The exact division of funding responsibility must be developed cooperatively with state and federal partners; however, the University is anticipating one-third of capital costs to be derived from federal support and to be linked to regional needs whereas the balance would need to be derived from state resources. The state component could be financed from capital appropriations or debt issued by the Board. If debt is to be issued, the source of funds for the debt service payments would need to be identified. Should the Board further endorse plans to replace the facility housing the University Hygienic Laboratory; the University will work with the Board Office to identify potential options to support any debt service payments which may be needed.

The operating costs of the new UHL facility are substantial, but could be met with the elimination of operation and maintenance costs at Oakdale Hall and the redeployment of those funds.

