

Contact: Joan Racki

REGISTER OF UNIVERSITY OF IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS

Actions Requested: Consider approval of:

1. The following actions for the **Labor and Delivery Suite Expansion** project:
 - a. Acknowledge receipt of the University's final 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. Approve the schematic design, and project description and budget (\$4,400,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.
2. The project description and budget (\$6,789,761) for **Stanley Hall – Renovate Restrooms and Replace Galvanized Piping** project.
3. The demolition and project descriptions and budgets for the **Art Building – Raze Facility** (\$1,500,000) and **Hancher – Voxman - Clapp – Raze Facility** (\$4,950,000) projects.
4. The ratification of the Executive Director's actions related to the **Emergency Repair of Steam Lines in the Burlington Street Dam Tunnel** project.

(ROLL CALL VOTE)

Executive Summary:

The University requests approval of the schematic design and project description and budget (\$4,400,000) for the UIHC **Labor and Delivery Suite Expansion** project, which would expand the Suite on level 6 of the John Pappajohn Pavilion. Three new, contiguous obstetrical operating rooms, all of equal size, would be developed to replace two existing operating rooms. Patient care and staff support functions would be relocated, as required, to provide the necessary space to develop the new operating rooms. The project would be funded by University Hospitals Building Usage Funds. The schematic design booklet showing the location of the proposed project is included with the Board's agenda materials.

The **Stanley Hall – Renovate Restroom and Replace Galvanized Piping** project would renovate restrooms, replace galvanized piping, and upgrade sinks and vanities in student rooms in Stanley Hall. (Attachment B shows the location of Stanley Hall.) Existing restrooms, which are currently utilized by multiple students simultaneously, would be converted to individual restrooms. The project budget of \$6,789,761 would be funded by Dormitory Improvement Funds.

The University requests approval to demolish the east wing, the three south buildings and below grade classroom additions to the original 1936 Art Building Complex. Due to the historical significance of the 1936 building, FEMA has directed the University to maintain this portion of the Art Building Complex. The location of the Art Complex is shown on Attachment C; the project budget for the **Art Building – Raze Facility** project is \$1.5 million.

The **Hancher – Voxman – Clapp – Raze Facility** project would demolish the entire complex consistent with FEMA approvals; the site would be maintained as green space or otherwise in conformance with FEMA regulations. The location of the Hancher-Voxman-Clapp complex is shown in Attachment D; the project budget for the demolition is \$4.95 million.

Approval of the two demolitions is requested in accordance with Iowa Code Iowa Code §262.11 and the Board's *Policy Manual* Chapter 9.02, which requires the Board to approve the disposal of buildings with an estimated value of \$10,000 or more. Both of the projects would be funded by a combination of flood recovery resources including Federal (FEMA) grant funding, and State or University flood recovery capital funds.

On November 1, 2012, the Executive Director approved the emergency repair of steam lines in the Burlington Street Dam Tunnel (Tunnel). The University informed the Board Office that emergency repairs were needed to four leaking 12-inch and two 14-inch high pressure steam expansion joints located in the Tunnel.

The 12-inch and 14-inch high pressure steam lines located in the Tunnel transport one-half of the steam serving the University's West Campus including the University of Iowa Hospitals and Clinics, research facilities and residence halls. The joints needed to be replaced and the lines returned to service without delay to assure system reliability during the upcoming winter heating season. The University sought permission to sole source the work to Carl A. Nelson Company due to the firm's availability and current performance of similar work on campus.

Executive Director Donley made a finding of the need to institute emergency procedures pursuant to section 262.34(2) of the *Code of Iowa*. He approved a project description and budget in the amount of \$320,000 for the emergency steam line repairs and granted permission to the University to use the Carl A. Nelson Company as the contractor for the project, which is being funded by the Utility System Renewal and Improvement Fund.

Details of the Projects:

UIHC Labor and Delivery Suite Expansion

<u>Project Summary</u>			
	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning		Dec. 2011	Approved
Initial Review and Consideration of Capital Project Evaluation Criteria		Dec. 2011	Received Report
Design Professional Agreement (Shive-Hattery, Iowa City)	\$ 295,500	May 2012	Not Required*
Program Statement		Oct. 2012	Not Required*
Schematic Design		Dec. 2012	Requested
Project Description and Budget	4,400,000	Dec. 2012	Requested
Final Review and Consideration of Capital Project Evaluation Criteria		Dec. 2012	Receive Report

*Approved by Executive Director, consistent with Board policies

The Labor & Delivery (L&D) Suite, which became operational in 2004, was designed to accommodate approximately 1,600 annual deliveries. However, the obstetrical patient census has grown substantially beyond that level; in FY 2011 there were nearly 1,900 deliveries and it is anticipated that the annual delivery volume will exceed 2,000 in the near future. This increase in patient volume has stressed the capacity of the current facility and resulted in the need to expand the facilities supporting these obstetrical patient care services.

The L&D Suite was designed with two obstetrical operating rooms, which at the time was considered adequate to accommodate the service volume requiring these special procedure rooms. In accordance with standards included in the "Guidelines for Perinatal Care, 6th Edition," published by the American Academy of Pediatrics and American College of Obstetricians and Gynecologists, one operating room must always be available for emergencies; thus, scheduled procedures cannot be performed in this room. To meet the increasing demand for scheduled procedures, a third operating room is necessary.

The project includes the renovation of 3,473 net square feet (nsf) of existing space on level 6 of the John Pappajohn Pavilion (JPP), and the development of additional functional space through the partial infilling of the atrium at its 6th level (629 nsf) and infilling 340 nsf of level 6 JPP rooftop space.

The net square feet included in the program and schematic design are as follows:

<u>Function</u>	<u>Net Square Feet</u>
Patient Care Facilities	2,772
Clean Equipment & Supply	542
Solid Utility & Equipment Storage	95
Patient & Staff Restrooms	169
Staff Lockers	167
Central Work Stations & Support	<u>697</u>
Total	4,442

Project Budget

Construction	\$3,520,000
Planning and Design	528,000
Contingency	<u>352,000</u>
TOTAL	<u>\$4,400,000</u>

Source of Funds: University Hospitals Building Usage Funds

Construction is scheduled to commence in the fourth quarter of FY 2013, with completion during the fourth quarter of FY 2015.

Stanley Hall – Renovate Restroom and Replace Galvanized Piping

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning		April 2012	Approved
Design Professional Agreement (Rohrbach Associates, Iowa City)	\$ 490,000	August 2012	Not Required*
Project Description and Budget	6,789,761	December 2012	Requested

*Approved by Executive Director, consistent with Board policies

The restrooms in Stanley Hall have not been renovated since the building was constructed in 1966. The galvanized piping is original to the building and has a history of failure that has necessitated replacement in other residence hall buildings of a similar age.

Project Budget

Construction	\$5,388,983
Planning and Design	864,778
Contingency	<u>536,000</u>
TOTAL	<u>\$6,789,761</u>

Source of Funds: Dormitory Improvement Funds

Art Building – Raze Facility

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning		Aug. 2010	Approved
Design Professional Selection (InVision Architecture; Des Moines)		Oct. 2010	Not Required*
Project Description and Budget	\$1,500,000	Dec. 2012	Requested

*Approved by Executive Director consistent with Board policies

The Art Building consists of a complex of five buildings including the original 1936 building (58,083 gross square feet [GSF]), a 1968 east wing (15,274 GSF) and three 1968 south buildings (21,149 GSF). The total area is 94,506 GSF. All components of the complex except the original 1936 building would be demolished as part of the project.

FEMA obligated funds for the requested demolition in June 2012.

Project Budget

Construction	\$1,200,000
Planning and Design	180,000
Contingency	<u>120,000</u>
TOTAL	<u>\$1,500,000</u>

Source of Funds: Combination of flood recovery resources: Federal (FEMA) grant funding, and State or University flood recovery capital funds

Hancher – Voxman - Clapp – Raze Facility

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning		Aug. 2010	Approved
Selection of Design Professional (OPN Architects, Cedar Rapids)		Aug. 2010	Approved
Design Professional Agreement (Construction Documents - Construction Administration)	\$ 222,740	April 2012	Not Required*
Project Description and Budget	4,950,000	Dec. 2012	Requested

*Approved by Executive Director, consistent with Board policies

Hancher–Voxman-Clapp was constructed in 1972 and contains 296,924 gross square feet of space. The building complex housed Hancher Auditorium, the School of Music and Clapp Recital Hall. In addition to removal of the building structure, exterior shell and foundation, nearly all interior wall systems are asbestos-containing and will be removed as part of a building-wide abatement. FEMA obligated the funds for demolition in June 2012.

Project Budget

Construction	\$4,060,000
Planning and Design	500,000
Contingency	<u>390,000</u>
TOTAL	<u>\$4,950,000</u>

Source of Funds: Combination of flood recovery resources: Federal (FEMA) grant funding, and State or University flood recovery capital funds

**UIHC Labor and Delivery Suite Expansion
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 for FY 2010-2013 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: The project is required to address the aforementioned facility deficiencies and will facilitate further expansion and enhancements in UIHC's obstetrical and neonatal care programs and services as the opportunities may present themselves in the future. There are no alternatives that could be implemented that would address the aforementioned deficiencies.

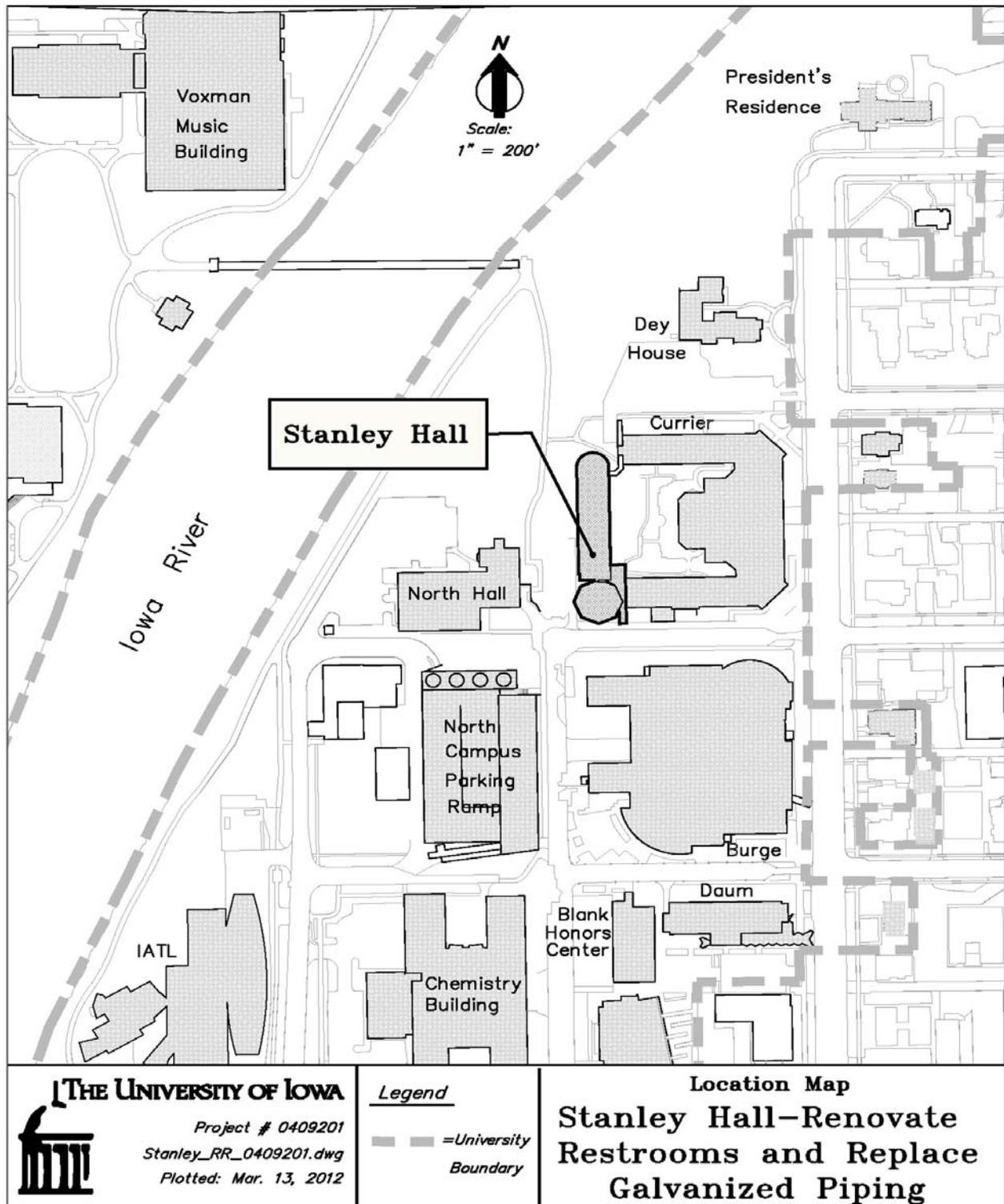
Impact on other Facilities and Square Footage: This project will not result in the abandonment, transfer or demolition of existing facilities.

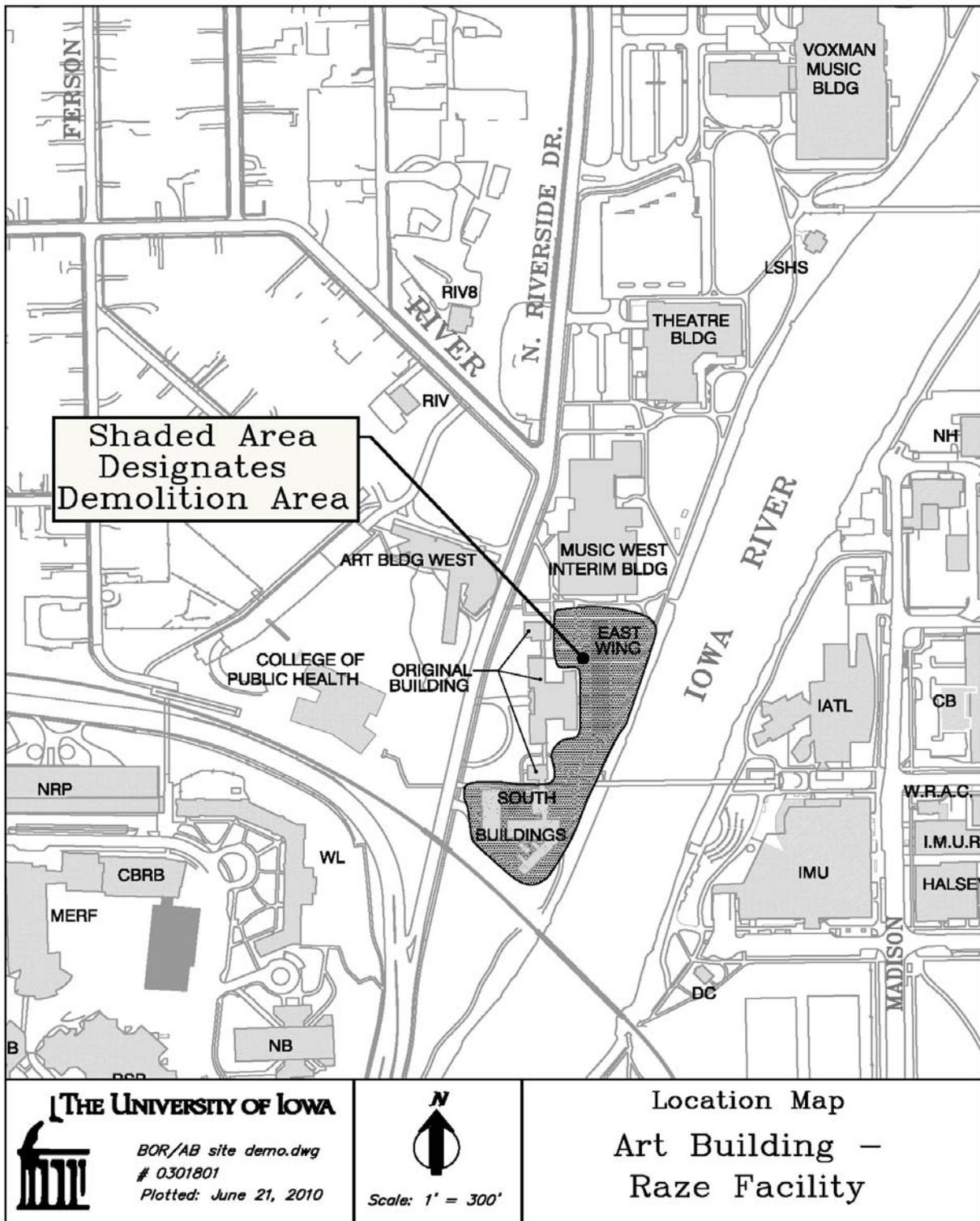
Financial Resources for Construction Project: The project will be funded through University Hospitals Building Usage Funds acquired from depreciation allowances of third parties underwriting the cost of patient care plus hospital net earnings from paying patients. No state capital appropriated dollars will be involved. The preliminary estimate for the internal rate of return over the life of the project is 3.39%.

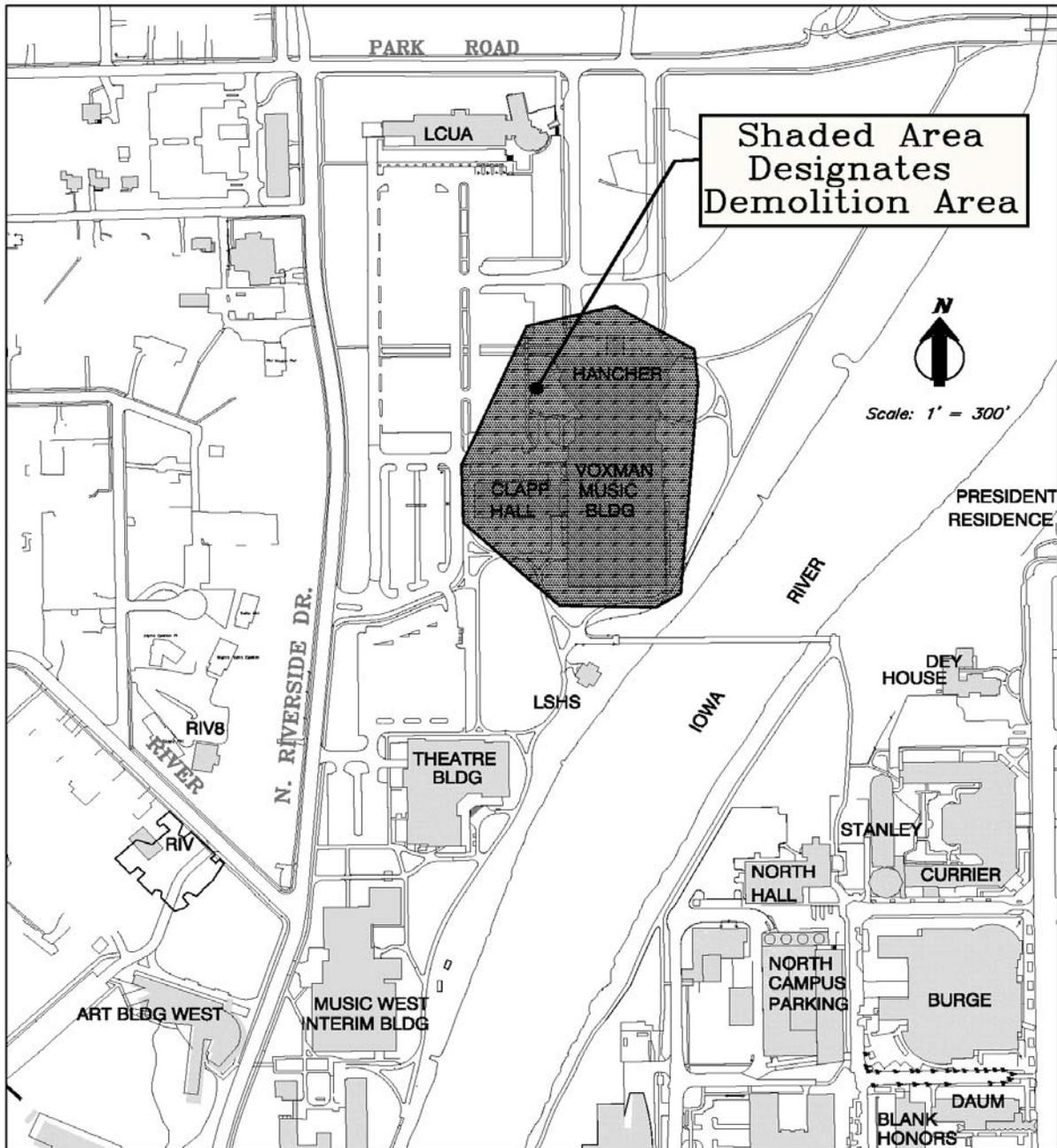
Financial Resources for Operations and Maintenance: No significant change in operating expenses is expected. The source of funds to cover the associated operating and maintenance costs will be hospital operating revenues derived from providing patient care services.

External Forces Justifying Approval: The expansion of this unit is an important element in enabling the UIHC to meet all components of its tripartite mission. Patient care will be enhanced through expanded facilities and the design of these facilities will be focused on providing a comfortable and patient-friendly environment. 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. Lastly, the project will result in compliance with the "Guidelines for Perinatal Care, 6th Edition," published by the American Academy of Pediatrics and American College of Obstetricians and Gynecologists, which require that one obstetrical operating room be dedicated to accommodate emergencies, as previously described.







The UNIVERSITY OF IOWA



BOR/HA site demo.dwg
0301701
Plotted: Feb. 14, 2012

Location Map
Hancher Auditorium-Voxman-Clapp
Raze Facility