

**MINUTES OF OCTOBER 19, 2016 COMMITTEE MEETING**

**BOARD OF REGENTS, STATE OF IOWA  
PROPERTY AND FACILITIES COMMITTEE**

**OLD CENTRAL BALLROOM, ROOMS A AND B  
MAUCKER UNION  
UNIVERSITY OF NORTHERN IOWA  
CEDAR FALLS, IOWA**

**Committee Members Present**

Regent Milt Dakovich, Chair

Regent Patricia Cownie

Rod Lehnertz, University of Iowa Senior Vice President, Finance & Operations

Kate Gregory, Iowa State University Senior Vice President for University Services

Patrice Sayre, Board of Regents Chief Business Officer

**Committee Members Absent**

Michael Hager, University of Northern Iowa Senior Vice President for Finance and Operations

**Presenters / Respondents**

Joan Racki, Board of Regents Policy and Operations Officer

John Nash, Board of Regents Assistant Director of Facilities

Gary Barta, University of Iowa Athletic Director

Dr. Steven Leath, Iowa State University President

Chair Dakovich called the meeting to order at 2:32 p.m.

**Agenda Item 1 - Minutes of September 7, 2016 Committee Meeting**

The minutes of the September 7, 2016 meeting, as presented, were accepted by General Consent.

**Agenda Item 2 – University of Iowa Capital Improvement Business Transactions**

Senior Vice President Lehnertz presented the University's Register of Capital Improvement Business Transactions.

In response to a question from Regent Dakovich, Senior Vice President Lehnertz said that reverse osmosis project would be paid by Utility System Renewal and Improvement Funds. In a follow-up question from Chief Business Officer Sayre, Senior Vice President Lehnertz said that the reverse osmosis filtering system would be continual and part of the water treatment operation and not exclusively used during high levels of nitrates.

Senior Vice President Lehnertz introduced Athletic Director Barta, who presented the Kinnick Stadium project. In response to a question from Regent Dakovich, Director Barta said the stadium capacity would go from over 70,000 seats to around 69,000 seats, but with an enhanced fan experience with the premium club, a better variety of seating, wider benches and aisles, increased concessions, and additional restrooms. Total capacity would remain within the top 25 in the country.

Director Barta described the project schedule. During Summer 2017, utilities work would occur up to the start of the 2017 football season when fans would enjoy the same game-day experience as they do now. After the 2017 football season, the existing north stands would be demolished and the new stands would be built. For the 2018 football season, all new seating would be available except the premium club, new concession stands, and new restrooms would be in a temporary mode. After the 2018 football season, the project would be completed and ready for the 2019 football season.

Senior Vice President Lehnertz said that the University is requesting to utilize the Construction Manager at Risk delivery method in lieu of the Construction Manager – Agent delivery method that was approved by the Board at the August 2015 meeting. In response to a question from Regent Dakovich, Senior Vice President Lehnertz said M.A. Mortenson Company, the current Construction Manager – Agent for preconstruction services only, would need to compete for the Construction Manager at Risk contract. Regent Dakovich added that the schedule is a huge issue on this project. Director Barta concurred.

The Committee, by General Consent, recommended to the Board approval of the:

1. Following actions for the **Riverside Recital Hall – Remodel Space** and the **Roy J. Carver Pavilion – Inpatient Psychiatry Expansion and Renovation** projects; all major capital projects 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 Attachments A and B of memorandum);
  - b. Accept the Board Office recommendation that the projects meet the necessary criteria for Board consideration; and
  - c. Authorize permission to proceed with project planning, including the design professional selection process for the Recital Hall project and the selection of Heery International as the design professional for the Inpatient Psychiatry project.
2. Following actions for the **Kinnick Stadium and Paul W. Brechler Press Box – Renovate North Stands** project; a major capital project as defined by Board policy:
  - a. Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria (see Attachments C of memorandum);
  - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
  - c. Approve the schematic design, financing plan, project description and budget (\$89,900,000), and the use of the Construction Manager at Risk delivery method in lieu of the Construction Manager - Agent delivery method approved by the Board in August 2015

with the understanding that approval would constitute final Board approval and authorization to proceed with construction.

- d. Approve the financing plan, as outlined in the memorandum, and A Resolution Declaring an Official Intent Under Treasury Regulation 1.150-2 to Issue Debt of up to \$100,000,000 Athletic Facilities Revenue Bonds, Series S.U.I. and to Reimburse the State University of Iowa for Certain Original Expenditures Paid in Connection with the Improvements and Renovations of Kinnick Stadium and surrounding areas.
3. Project description and budget (\$5,871,000) for the **Water Plant – Install Reverse Osmosis System** project.

### **Agenda Item 3 - University of Iowa Request to Raze Six Building**

Senior Vice President Lehnertz presented the University's request for approval to raze six small, wood-framed apartment buildings (Fleur Apartments) on the Iowa Center for Higher Education campus at 2700, 2702, 2710, 2712, 2714, and 2716 Fleur Drive in Des Moines. Razing was chosen because these structures do not fit the current or future programming plans for the campus, are unoccupied posing a serious security hazard, carry a significant maintenance cost of \$100,000 per year, and have exceeded their estimated life of 35 years.

Senior Vice President Lehnertz said the University will continue to monitor progress and developments at the Iowa Center for Higher Education campus and will report back to Board on those findings at the appropriate time.

By General Consent, the Committee recommended to the Board approval to raze six small apartment buildings (Fleur Apartments) on the Iowa Center for Higher Education campus at 2700, 2702, 2710, 2712, 2714, and 2716 Fleur Drive in Des Moines.

### **Agenda Item 4 – Iowa State University Proposed Property Naming**

President Leath presented the agenda item and requested that the Property and Facilities Committee consider recommending to the Board approval of the University's request to name the residence hall currently under construction on Lincoln Way as "Gregory L. Geoffroy Hall."

President Leath said the Dr. Geoffrey had a distinguished career at Iowa State University as president from 2001 to 2012 and as an accomplished organometallic chemist. Dr. Geoffrey provided great leadership and advanced the University in spite of some very difficult budget challenges from 2008 forward. He successfully completed the University's largest capital campaign up to that point, "Campaign Iowa State: With Pride and Purpose," which raised over \$800 million and doubled the number of endowed faculty positions to 150. He is credited with saving Morrill Hall and oversaw the completion of nine new facilities.

The Committee, by General Consent, recommended to the Board approval of the naming of the residence hall currently under construction on Lincoln Way as the "Gregory L. Geoffroy Hall."

### **Agenda Item 5 – Institutional Agreements, Leases, and Easements**

Assistant Director of Facilities Nash presented the agenda item. Senior Vice President Gregory described four leases and one agreement amendment. The first lease with the Iowa Communications Network would allow for the relocation of a key fiber optics hut to the ISU Research Farm. This relocation would greatly enhance current and future University fiber optic needs. The second lease with the ISU Research Park Corporation would allow one of the Research Park's tenants, Merck/Harrisevaccines, to expand its product manufacturing capabilities into all 31,280 square feet of the former University Surplus and Storage Facility at 1102 Southern Hills Drive.

Senior Vice President Gregory presented the third lease with Jensen Properties and the fourth lease with American Campus Communities together as they both relate to off-campus housing. Both leases would adjust the current off-campus housing for two things: the opening of the new residence hall, "Gregory L. Geoffroy Hall", and the continued demand for off-campus housing. The net change with completion of the new residence hall and these leases would be an additional 449 beds.

Senior Vice President Gregory presented an amendment to a Memorandum of Understanding with Muscatine Island Research Farm Association (Association) to add 20 acres in an area two miles southwest of Muscatine. These 20 acres would provide additional land for research and to buffer the Association from nearby subdivision development.

By General Consent, the Committee recommended to the Board approval of four leases (one each with the Iowa Communications Network, the ISU Research Park Corporation, Jensen Properties, and American Campus Communities) and one agreement amendment (with the Muscatine Island Research Farm Association) for the benefit of Iowa State University, subject to approval of the final documents by the Board Office and Attorney General's Office.

### **Agenda Item 6 – Discussion of Future Committee Agenda Items and Other Items**

Policy and Operations Officer Racki noted that the committee would meet next telephonically the morning of December 5. The specific time has yet to be established. Once that has been determined, she will let Committee members know along with the call-in information. In response from a question from Regent Dakovich, she said the physical meeting will originate from the University of Northern Iowa.

Chair Dakovich adjourned the meeting at 3:05 p.m.