

MINUTES OF DECEMBER 3, 2014 COMMITTEE MEETING

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

**CONFERENCE CALL ORIGINATING FROM BOARD OF REGENTS OFFICE
URBANDALE, IOWA**

Committee Members Present

Regent Milt Dakovich, Chair

Regent Larry McKibben

Doug True, University of Iowa Senior Vice President & Treasurer, Finance & Operations

Warren Madden, Iowa State University Senior Vice President for Business and Finance

Michael Hager, University of Northern Iowa Senior Vice President for Administration & Financial Services

Patrice Sayre, Board of Regents Chief Business Officer

Presenters and Responders

Rod Lehnertz, University of Iowa Director of Planning, Design and Construction; Department of Facilities and Management

John Staley, University of Iowa Hospitals and Clinics Senior Associate Director

Dean McCormick, Iowa State University Director for Design and Construction Services; Department of Facilities Planning and Management

Chair Dakovich called the meeting to order at 9:16 a.m.

Agenda Item 1 - Minutes of October 22 2014, Committee Meeting

The minutes of the October 22, 2014 meeting, as presented, were approved by General Consent.

Agenda Item 2 - Register of University of Iowa Capital Improvement Business Transactions

Rod Lehnertz, University of Iowa Director of Planning, Design and Construction, presented the Capital Register for the main campus projects and Senior Associate Director Staley provided information on the UIHC projects.

Committee members raised questions on three of the projects. In response to a question from Committee Chair Dakovich, Director Lehnertz indicated that the West Campus Utility Extension would cross the Iowa Interstate Railroad. Chief Business Officer Sayre inquired about possible traffic disruptions due to the razing of the water plant. In response, Director Lehnertz stated that plans are to keep Madison Street open throughout the construction period and that plans are to use a different entrance/exit route for the parking ramp, when necessary. Director Lehnertz

responded to Vice President Hager's question about the square footage costs for the Currier Hall renovation project and estimated that it would be \$54 per square foot.

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

1. The following actions for the **UIHC Pediatric Specialty Clinic Expansion and Conference Center Development** 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;
 - 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 utilization of Heery Design as the design professional and Gilbane Building Company as the construction manager – agent for the project.
2. The following actions for the **Currier Residence Hall – Renovate 3rd and 4th Floors** 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;
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - c. Approve the project description and budget (\$3,200,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.
3. Project descriptions and budgets for the **Steam Utility Enterprise Systems – Replace Riverside Drive / Grand Avenue Steam Distribution System – Phase 1** (\$10,000,000), **West Campus Utility Extension – Substation U to Finkbine Commuter Parking Lot** (\$3,800,000), and **City of Iowa City Former Water Plant – Raze Facility** (\$2,350,000) projects.

Agenda Item 3 - Register of Iowa State University Capital Improvement Business Transactions

Iowa State University Senior Vice President for Business and Finance Warren Madden presented the Register of Iowa State University Capital Improvement Business Transactions. He reviewed each of the requested actions and noted that demand for housing continues to be strong. The University is trying to keep on track for FY 16-17 occupancy.

In response to a question from Committee Chair Dakovich, Senior Vice President Madden responded that the costs for the Larch Hall project were substantially the same as for the Willow Hall project, completed last summer, as the buildings are very similar.

Questions were also raised about the revised project budget for the Jack Trice Stadium Improvements, Phase 3 – South End Zone project. Chair Dakovich inquired as to why new field pumps were not included in the original project budget. Dean McCormick, Director for Design and Construction Services, stated that originally it was believed that the field pumps were operating, and that the infrastructure leading to those pumps was in good condition. However, after

construction started, there was a failure in one of the pumps; while investigating that failure University personnel discovered that the 48 inch pipe was deteriorating significantly. University staff then realized that the field pump structure needed to be relocated and the field pumps replaced. Chief Business Officer Sayre inquired as whether the scope of the Green Space portion of the project had been changed since the budget for that component had been reduced. Senior Vice President Madden responded that the scope for that project component is still in the development stage and would be refined in the future.

By General Consent, the Committee recommended to the Board approval of:

1. The following actions for the **Buchanan Residence Hall – Building #2** project.
 - a. Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria;
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration;
 - c. Approve the schematic design, and project description and budget (\$49,500,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction; and
 - d. Approve the financing plan, which includes the Friley Residence Hall – Dining Renovation project, and adoption of A Resolution Declaring an Official Intent Under Treasury Regulation 1.150-2 to Issue Debt to Reimburse Iowa State University of Science and Technology for Certain Original Expenditures Paid in Connection with the Buchanan Residence Hall – Building #2 project.
2. Project Description and budget (\$3,300,000) for the **Larch Residence Hall - Perimeter Wall Modifications** project.
3. Revised project description and budget (\$53,000,000) for the **Jack Trice Stadium Improvements, Phase 3 – South End Zone** project.

Agenda Item 4 – Proposed Demolition of 2619 Hudson Road

University of Northern Iowa Vice President Michael Hager presented the University's request.

By General Consent, the Committee recommended to the Board approval of the proposed demolition of 2619 Hudson Road.

Agenda Item 5 - Institutional Agreements, Leases and Easements

Policy and Operations Officer Racki presented two lease agreements for the benefit of the University of Iowa and one lease for the benefit of Iowa State University.

By General Consent, the Committee recommended to the Board approval of two leases for supplemental student housing (120 E. Davenport Street Inc. and 527 N. Dubuque Street, Inc.) at the University of Iowa and approval of a lease with Harrisvaccines for space in the Iowa State University Surplus and Storage Facility for a five year term.

Agenda Item 6 – University of Iowa Update of Flood Recovery Status

Director Lehnertz presented the update, including the four reports presented at each Committee meeting.

The Committee received the report.

Agenda Item 7 – Discussion of Future Committee Agenda Items

Policy and Operations Officer Joan Racki noted that the Facilities Governance Report would be presented at the February board meeting.

OTHER BUSINESS

Director Lehnertz mentioned that John Staley just celebrated his 40th year with UIHC. He also noted that it was Senior Vice President True's final Property & Facilities Committee meeting; he thanked Mr. True for his leadership and service.

Chair Dakovich adjourned the meeting at 9:42 a.m.

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934.