

Contact: Joan Racki

REGISTER OF UNIVERSITY OF IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS

Actions Requested: Consider recommending approval of:

1. The following actions for the **Westlawn – Renovate Student Health & Wellness Space** 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 criteria (see Attachment A);
 - 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 design professional selection process.

2. The following actions for the **UIHC – Relocation of Pediatrics and Psychiatry Department Offices** 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 Attachment B);
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - c. Approve the project description and budget (\$10,700,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.

3. Ratification of Executive Director approval of the revised project budget (\$10,691,408) for the **Steam Utility Enterprise Systems – Replace Riverside Drive / Grand Avenue Steam Distribution System – Phase 1** project.

Executive Summary:

The University’s Student Health & Wellness (SHW) provides medical services in family medicine, gynecology, psychiatry, wellness promotion (including nutrition, tobacco cessation and alcohol/drug counseling), as well as communicable disease prevention and outbreak response. The University requests permission to proceed with project planning for the **Westlawn – Renovate Student Health & Wellness Space** project, which would renovate 21,000 gross square feet of the central portion of the 3rd and 4th floors of Westlawn. (See Attachment C for location of Westlawn.) This space has been occupied by SHW for more than 15 years since it relocated from the former Steindler Building. Changes in health care delivery (particularly the role of technology), the growth in enrollment and the number of patient visits require significant changes to the facility to provide appropriate and efficient service to students. The estimated project cost of \$5.2 million would be funded by Student Health & Wellness patient care operations and the Student Health Enterprise capital improvement fund. Student health fees are not anticipated to increase as a result of this capital project.

The University requests approval of the schematic design and project description and budget (\$10,700,000) for the **UIHC – Relocation of Pediatrics and Psychiatry Department Offices** project, which would develop replacement faculty and staff offices, and conference and teaching facilities for the Departments of Pediatrics and Psychiatry. The relocation of these facilities, which are currently located on level two of the Colloton and Pappajohn Pavilions, is required to support the expansion of the Pediatric Specialties Clinic located in an adjacent area on level two of the Colloton Pavilion. The Department of Pediatrics offices would be relocated to 22,620 gross square feet of space on level one of the General Hospital and Boyd Tower and 8,570 gross square feet on level two of Boyd Tower. The Department of Psychiatry offices would be located to 7,570 gross square feet on level eight of the Pappajohn Pavilion. The project would be funded by University Hospitals Building Usage Funds. The schematic design booklet is included with the Board’s agenda materials.

The University requests ratification of the Executive Director approval of the revised project budget (\$10,691,408, an increase of \$691,408) for the **Steam Utility Enterprise Systems – Replace Riverside Drive / Grand Avenue Steam Distribution System – Phase 1** project. Four bids for the project were received on Tuesday, January 13, 2015; all bids exceeded the construction estimate. To allow award of the construction contract for this project which needs to occur during the summer of 2015, the Executive Director approved a revised project budget. Ratification of this action is now requested.

Details of the Projects:

Westlawn – Renovate Student Health & Wellness Space

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning Initial Review and Consideration of Capital Project Evaluation Criteria		Feb. 2015	Requested
		Feb. 2015	Receive Report

The University encourages students to use the SHW since appropriate health care contributes to student success; when students seek health care early in an illness, risks associated with the spread of disease on campus can be mitigated. In FY 2014, SHW provided approximately 19,000 physician/physician assistant visits, 9,000 nurse visits, and 7,000 wellness consultations/workshops and outreach events. SHW plays a key role in controlling the spread of infectious diseases among students who interact with many colleagues during a typical day and often live in close contact with one another.

SHW collaborates with UIHC to provide health care for the University’s students. SHW, UIHC and UI Quickcare share a common electronic medical record system, allowing SHW to be a student’s medical home, while providing coordinated specialist care at UIHC and urgent care during off-hours at UI Quickcare. UIHC provides a wide range of support for SHW, including credentialing, compliance, and purchasing.

The SHW financial model, as on most university campuses, is a hybrid of fee-for-service and health student fees, with students registered for five or more semester hours paying a health fee that allows SHW to provide most services without charge to the student. There are a few services within this model that are billed to the student or to insurance.

The scope of the project would include reorganization of patient and examination room space, and modernization of service spaces. Reclaiming space (previously used for the storage of paper records) and rearranging functions would allow for more efficient patient care workflow and would serve higher numbers of patients. Finishes and building systems serving the area would be upgraded to meet current standards and codes. Construction would be phased to allow for SHW operations to continue without interruption.

UIHC – Relocation of Pediatrics and Psychiatry Department Offices

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning		Mar. 2014	Approved
Initial Review and Consideration of Capital Project Evaluation Criteria		Mar. 2014	Received Report
Design Professional Agreement (InVision Architecture; Waterloo)	\$ 239,500	Nov. 2014	Not Required*
Program Statement		Dec. 2014	Not Required*
Schematic Design		Feb. 2015	Requested
Project Description and Budget	10,700,000	Feb. 2015	Requested
Final Review and Consideration of Capital Project Evaluation Criteria		Feb. 2015	Receive Report

*Approved by Executive Director, consistent with Board policies

The Pediatric Specialties Clinic (PSC) opened on level two of the Colloton Pavilion in 1982. Over the years, there have been several modest expansions and minor renovations to the Clinic's space to meet the increased demand for examination and treatment rooms and other special patient care facilities. (From FY 2010 to FY 2014, the PSC patient clinic visit volume increased by approximately 23% - 43,700 visits in FY 2010 to over 53,700 visits in FY 2014.) However, because of a lack of space for further clinic expansion, it has become more difficult to accommodate additional patient growth. With the development of expanded PSC patient care and support facilities it is projected that by FY 2020, the PSC's annual clinic visit volume could grow to over 65,000 visits, a 50% increase from the base year of FY 2010.

By developing replacement offices, conference and teaching facilities for the Department of Pediatrics and Psychiatry, approximately 27,000 gross square feet of space that adjoins the PSC on level two of the Colloton and Pappajohn Pavilions will be available to expand PSC's ambulatory care services and capacity, and to develop a direct physical connection between these services and the new Children's Hospital.

Every effort will be made to reuse existing rooms when renovating the General Hospital and Boyd Tower space. Work on level one will include the remodeling and reuse of the existing structure, as well as new construction and all new finishes. Due to the increased number of occupants, the level one remodeling plans also include construction of new restrooms. Level two will be fully remodeled, including new ceiling, lights and rework of the mechanical systems. Level eight of the Pappajohn Pavilion will house the Psychiatry academic offices; there will be a full build-out of the existing shell space.

The following summarizes the square footage included in the building program and schematic design:

<u>Function</u>	<u>Net Assignable Square Feet</u>
Reception / Common Areas:	
Lobby	600
Restrooms / Pantry	<u>1,714</u>
Subtotal	2,314
Faculty Offices:	
Pediatric Offices	7,966
Psychiatry Offices	<u>2,576</u>
Subtotal	10,542
Staff Support:	
Offices / Workstations	7,470
Conference Rooms	2,816
Lactation	84
Team Workspace, Copy / Printer Spaces	574
Miscellaneous Spaces (Storage, etc)	<u>995</u>
Subtotal	11,939
Total Net Assignable Square Feet	24,795

Project Budget

Construction	\$ 9,108,000
Planning, Design & Management	892,000
Contingency	<u>700,000</u>
TOTAL	<u>\$10,700,000</u>

Source of Funds:
University Hospitals Building Usage Funds

Construction is scheduled to begin in the third quarter of FY 2015, with completion during the second quarter of FY 2016.

Steam Utility Enterprise Systems – Replace Riverside Drive / Grand Avenue Steam Distribution System – Phase 1

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed with Project Planning		Feb. 2014	Approved
Selection of Design Professional Shive-Hattery (Iowa City)		Feb. 2014	Approved
Design Professional Agreement	\$ 590,000	Aug. 2014	Not Required*
Project Description and Budget	10,000,000	Dec. 2014	Requested
Revised Project Description and Budget	10,691,408	Feb. 2015	Requested**

*Approved by Executive Director, consistent with Board policies.

**Ratification of Executive Director action requested.

Areas of the Grand Avenue steam tunnel and vault system have begun to show notable signs of structural degradation due primarily to age. This central route for utilities to the West Campus was constructed approximately 70 years ago. While temporary shoring has been installed, a permanent replacement is needed. The project would ensure continued supply of steam to the entire west side of the University campus including UIHC. The project would be funded by Utility System Revenue Bonds. Roadway access during reconstruction would be appropriately maintained for both vehicular traffic and to provide emergency vehicle access to the UIHC Emergency Treatment Center.

Due to higher than anticipated bids, the University requests approval of the following revised budget. Following the bid opening, the University discovered that the tight construction limits and phasing requirements had a greater impact on costs than originally estimated.

Project Budget

	<u>Initial Budget Dec. 2014</u>	<u>Revised Budget Jan. 2015</u>
Construction	\$ 8,000,000	\$ 8,612,338
Design and Supervision	800,000	1,209,770
Contingency	<u>1,200,000</u>	<u>869,000</u>
	<u>\$10,000,000</u>	<u>\$10,691,408</u>

Source of Funds: Utility System Renewal and
Improvement Funds

Westlawn – Renovate Student Health & Wellness Space
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: The mission of Student Health & Wellness (SHW) is to deliver quality healthcare and promote healthy lifestyles, enhancing success and learning for all University of Iowa students. SHW is responsible for enforcement of the State's immunization law, the Division of Student Life's alcohol education and diversion program, along with the daily preventative and curative services provided by the clinic staff. Through its wellness services (healthy choices, learning communities, body issues, tobacco, and substance use), and clinical outreach activities (TB screening, and flu clinics), SHW is helping students with mind and body as they pursue their educational goals.

Completion of this project will facilitate and enhance the delivery of student health services; it will support the use of new technologies (electronic health records), enhance safety, promote synergies within UI departments, and elevate the quality of care for UI students. The Division of Student Life's mission of fostering student success by creating and promoting inclusive educationally purposeful services within and beyond the classroom will be enhanced by the much-needed renovation. The project also supports the University's current Strategic Plan goals and objectives, most notably student success and retention. During the last program accreditation site visit in August 2013, the surveyor commented on the undersized and outdated exam spaces which impact the delivery of appropriate, efficient and modern student health care services.

Other Alternatives Explored: The project will provide the necessary exam space and facilities to accommodate the current and expected growth in student health-related services. The project does not involve expansion of the existing space, only reconfiguring and modernizing outdated space. Student Health & Wellness (SHW) moved from the (now demolished) Steindler Building to Westlawn in August of 1998. SHW has not undergone any significant renovation for nearly 16 years. Due to the recent change to an electronic medical records system (shared with UIHC), the clinic requires more space due to the "triangulation" of patient, computer, and provider. The space requirement for a standard exam room has grown from 80 square feet (existing size) to 110 square feet since the advent of current medical records/procedures. There are no viable alternatives available to accommodate the growth in services, and space to enhance the patient and provider experience. The site affords immediate student access and an appropriate amount of personal privacy.

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 source of funds are earnings on Student Health & Wellness patient care operations and the Student Health Enterprise capital improvement fund. Student health fees are not anticipated to increase as a result of this capital project.

Financial Resources for Operations and Maintenance: The source of funds to cover the associated operating and maintenance costs will be the student health fee, which is assessed to those students taking 5 semester hours or more.

External Forces Justifying Approval: The importance of adequate space for staff to perform their job functions, along with a facility which can accommodate current operations with potential for growth in student visits is essential. As part of the University's mission of education and outreach in healthcare, Student Health & Wellness fulfills "The Iowa Promise."

UIHC – Relocation of Pediatrics and Psychiatry Department Offices
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 provide the Departments of Pediatrics and Psychiatry with replacement facilities for their academic offices, conference rooms and teaching facilities, thus enabling development of a renovated and expanded Pediatric Specialties Clinic that will be connected to the new UI Children's Hospital.

Completion of this project will make it possible to expand the Pediatrics Specialty Clinic which will contribute to UI Hospitals and Clinics' efforts in meeting all elements of the UI Health Care mission, "Changing Medicine, Changing Lives." It will 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 2014-2016 by developing 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: There are no available alternative locations that can accommodate the Departments of Pediatrics and Psychiatry faculty and staff offices, conference and teaching facilities which must be relocated to permit expansion of the Pediatric Specialties Clinic, except for the space in the General Hospital, Boyd Tower and the Pappajohn Pavilion as described in this document.

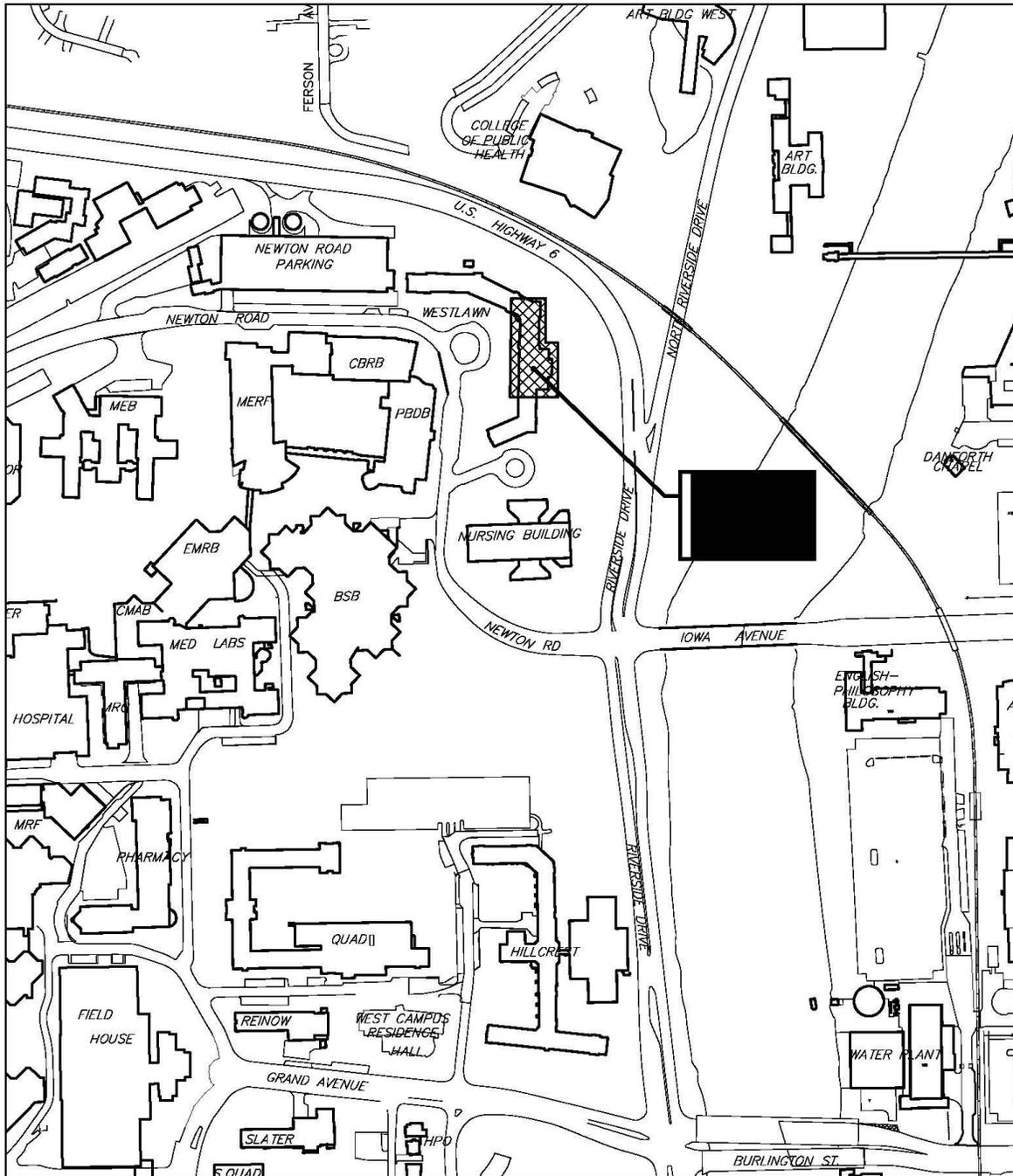
Impact on Other Facilities and Square Footage: This project will result in the relocation of approximately 27,000 gsf of clinical department office, conference and teaching facilities on the second level of the Colloton and Pappajohn Pavilions to permit development of renovated and expanded Pediatric Specialties Clinic facilities. The space to accommodate these relocated functions will be provided through the relocation of Health Care Information Systems staff from level one of General Hospital and Boyd Tower to other temporary locations at UIHC and ultimately to an off-site UIHC Support Services Facility. This space is currently under construction in the Forevergreen Business Park, in Coralville, Iowa, (per Board of Regents, State of Iowa approval of the lease agreement at its October 23-24, 2013 meeting). Additional space to accommodate the relocated Psychiatry offices will be gained by finishing rooftop shell space on level eight of the Pappajohn Pavilion. No space will be abandoned or demolished.

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.

Financial Resources for Operations and Maintenance: No significant change in operating expense 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: Past and projected growth in requirements for pediatric specialty care is necessitating movement of the Departments of Pediatrics and Psychiatry offices, conference and teaching facilities so that the Pediatric Specialties Clinic can be expanded. With the expanded Pediatric Specialties Clinic, patient care will be enhanced through expanded clinic examination, treatment and support facilities and the design of these facilities will be focused on meeting patient expectations for a more comfortable and patient-friendly environment.

The project's design will meet all building codes and standards, as well as those included in the 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.



 <p>THE UNIVERSITY OF IOWA #0463301 Plotted: August 22, 2014 Westlawn_0463301.dwg</p>	<p>N  Scale: 1" = 300'</p>	<p>LOCATION MAP Westlawn - Renovate Student Health & Wellness Space</p>
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