

Contact: Brad Berg

**UNIVERSITY OF IOWA UPDATE OF FLOOD RECOVERY STATUS**

**Action Requested:** Receive the report from the University of Iowa.

**Executive Summary:** The University has provided the following report:

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Attached are four reports: the first is the most recent report of flood recovery expenses and funding received (through January 31, 2014). The second report is the current timetable and milestones for the major flood recovery projects (dated February 18, 2014). Another report labeled "Outstanding Issues" has two sections. The first section (Appeals) lists formal appeals filed with Iowa Homeland Security (IHSEMD) or FEMA. The second section (Other Issues) lists issues of concern and includes FEMA insurance and time extension requirements, as well as differences between FEMA obligations and projected actual costs. The fourth and final report lists "To-Date" flood costs by project.

Of particular note since the last report to the Board, the University was officially notified in a letter from FEMA Region VII administrator Beth Freeman dated February 10, 2014, that FEMA had accepted the State Insurance Commissioner's certification of reasonableness of the University's blanket flood protection policy. While this action was anticipated, the written confirmation was a positive step. The University is grateful to Iowa Homeland Security, the State Insurance Commissioner, and FEMA Region VII staff.

If requested, the University will provide an oral update.



MAJOR FLOOD RECOVERY PROJECT TIMETABLE

	Regional FEMA Site and Replacement Authority Approval	Completion of State/Regional Review of Recovery and Mitigation Plans (PW complete)	Completion of National FEMA Review/Funding Obligation	Submission of Schematic Design and Budget to Board Office for Regents Action	Award of Construction Contract(s)	Final Completion (3)
Art Building West			Complete (March 2011)	Complete (March 2010)	Complete (September 2010)	Complete (October 2011)
Art Building (Replacement)	Complete (October 2010)	Complete (June 2011)	Complete (January 2012)	Complete (March 2012)	Complete (June 2013)	May 2016
Art Building (Demolition)		Complete (June 2011)	Complete (May 2012)	Complete (December 2012)	Complete (August 2013)	Complete February 2014
Hancher Performing Arts (Replacement)	Complete (October 2010)	Complete (June 2011)	Complete (January 2012)	Complete (March 2012)	Complete (2) (Dec 2012 to Oct 2013)	May 2016
School of Music (Replacement)	Complete (October 2010)	Complete (June 2011)	Complete (January 2012)	Complete (March 2012)	Complete (2) (Feb to Sept 2013)	September 2016
Hancher/Voxman/Clapp (Demolition)		Complete (June 2011)	Complete (May 2012)	Complete (December 2012)	Complete (May 2013)	Complete February 2014
Iowa Advanced Technology Labs		Complete (June 2011)	Complete (November 2012)	Complete (June 2013)	Complete (February 2014)	March 2015
Iowa Memorial Union		Complete (July 2011)	Complete (November 2012)	Complete (October 2010)	Complete (September 2013)	June 2015
Mayflower Residence Hall		Complete (June 2011)	Complete (November 2012)	Complete (June 2012)	Complete (August 2013)	January 2015
Theatre Building		Complete (June 2011)	Complete (February 2012)	Complete (October 2012)	Complete (September 2013)	August 2015
Utility System <sup>(1)</sup>		Repair work complete Mitigation pending	Repair work complete Mitigation pending	Repair work complete Mitigation pending	Repair work complete Mitigation pending	Repair work complete Mitigation pending
Museum of Art Replacement	N/A	N/A	N/A	RFP to be issued March 2014	Partner selection Q2/Q3 2014	TBD

Footnotes:

- (1) On August 12, 2010, the University submitted a comprehensive report, including a benefit-cost analysis, to FEMA outlining needed repairs and mitigation for the utility system (power plant, tunnels, and distribution system). In March 2012, the University received from the FEMA office in Des Moines multiple PWs providing insufficient obligations for repairs and mitigation. The University appealed these decisions in May and August 2012. On November 21, 2013, FEMA Region VII responded to the appeals and denied the comprehensive power plant flood mitigation plan including a protective flood wall. As discussed with the Board in February, the University does not intend to appeal the FEMA decision on the proposed power plant flood mitigation wall structure.
- (2) The primary building package is complete. There are a number of smaller bid packages remaining (related primarily to equipment & furnishings) that will be bid in coordination with the construction schedule.
- (3) For the purposes of this table, "final completion" means the FEMA-approved project completion date.

**OUTSTANDING ISSUES**

<b>APPEALS</b>			
<b>BUILDING/ PROJECT</b>	<b>ISSUE ON APPEAL</b>	<b>DATE APPEAL SUBMITTED</b>	<b>STATUS OF APPEAL</b>
MUSEUM OF ART	Replacement of flood damaged facility	FEMA Denial March 2013	Options for appeal have been exhausted - UI is advancing replacement of the Museum without FEMA support and is executing permanent repair of the former Museum structure as a FEMA authorized project.
UTILITY SYSTEM TUNNELS	Mitigation strategy	FEMA Denial March 2013	UI is not appealing the denial.
POWER PLANT AND UTILITY SYSTEM TUNNELS	Reimbursement for funds expended in repair of facilities	FEMA Response/Partial Denial November 2013	UI is not appealing the denial.
POWER PLANT	Mitigation strategy	FEMA Denial November 2013	UI is not appealing the denial.
STUDIO ARTS	Reimbursement for funds expended in renovation of temporary facility	May 2013 (UI to IHSEMD)	FEMA Region VII responded to the appeal approving \$171,000 of the \$405,000 requested (March 2013). (IHSEMD submitted second appeal to FEMA Headquarters, July 2013)
MAYFLOWER CONTENTS	Time extension needed to complete purchase and installation of flood damaged contents	February 2014 (UI to IHSEMD)	FEMA Region VII denied first appeal (December 2013). (IHSEMD decision to submit UI's second appeal to FEMA Headquarters, TBD)

**OUTSTANDING ISSUES**

<b>APPEALS (cont.)</b>			
<b>BUILDING/ PROJECT</b>	<b>ISSUE ON APPEAL</b>	<b>DATE APPEAL SUBMITTED</b>	<b>STATUS OF APPEAL</b>
MUSEUM OF ART - TEMPORARY FACILITY (FIGGE)	Time extension needed to cover lease costs of temporary facility	FEMA Denial December 2013	UI is not appealing the denial.
SCHOOL OF MUSIC / THEATRE BLDG - TEMPORARY FACILITY (108 RIVER STREET)	Time extension needed to cover lease costs of temporary facility	FEMA Response December 2013	UI is not appealing the denial.

\* IHSMED - Iowa Homeland Security and Emergency Management Department

## OUTSTANDING ISSUES

OTHER ISSUES	
Post Recovery Insurance Requirements	<p>FEMA requires as a part of the close-out process that the University provide evidence of insurance on facilities to protect against future loss. The University carries National Flood Insurance on each facility in the flood plain as well as \$250 million of commercial flood insurance under a blanket policy with FM Global. The University learned that FEMA would not accept a blanket policy for evidence of flood insurance and might require higher limits. This insurance requirement can be waived by the State Insurance Commissioner under certain conditions. The University worked with Iowa Homeland Security and the Iowa Insurance Commissioner to obtain a waiver on the basis that obtaining scheduled flood insurance on each of its buildings (including replacement buildings outside the floodplain) is not reasonable and not cost effective. The Commissioner's waiver was submitted to FEMA on 9/18/13 and has since been supplemented. On 2/10/14, the University received written notification from FEMA Region VII indicating their acceptance of the Commissioner's certification as to the reasonableness of the University's flood insurance coverage.</p>
Project Worksheet (PW) Time Extensions	<p>The University has several requests for PW time extensions pending with FEMA. These extension requests have been developed in conjunction with Iowa Homeland Security and conform with the overall disaster recovery timetable approved for Iowa.</p>
Estimated Actuals vs. Obligation	<p>Estimated project costs for FEMA-approved scope of work for several projects have exceeded FEMA's obligated funds. Communication with FEMA to resolve the differences through State Homeland Security officials is on-going.</p>
Former Museum of Art Building	<p>The University is seeking a time extension from FEMA to complete the repairs to the south end of the building as identified in the current project worksheet and within the current FEMA obligation amount. The repairs to the Museum of Art building had previously been delayed pending appeal decisions by FEMA on the University's and IHSEMD's request to replace the Museum of Art.</p>

\* IHSEMD - Iowa Homeland Security and Emergency Management Department

**UNIVERSITY OF IOWA - MAJOR FLOOD RECOVERY PROJECT REPORT**

To Date Flood Recovery Costs

As of January 31, 2014

		(\$ 000's)
Hancher & Voxman Buildings & Replacements	\$	77,593.7
Art Building & Replacement		14,578.9
Art Building West		10,343.3
Iowa Advanced Technology Laboratories (IATL)		12,896.7
Iowa Memorial Union (IMU)		8,339.6
Theatre		4,762.2
Adler / Becker / English-Philosophy Building (EPB)		5,580.8
Mayflower Hall		6,009.7
Museum of Art		606.3
Utility Plants & Systems		33,972.5
Debris Removal		38,267.0
Temporary Locations		45,274.9
Emergency Measures		13,652.2
Other Restoration Projects		7,866.6
Other		10,085.3
<b>TOTAL FLOOD</b>	<b>\$</b>	<b>289,829.7</b>