

Contact: John Nash

**MINUTES OF APRIL 20, 2016 COMMITTEE MEETING**

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

**LIED MULTIPURPOSE COMPLEX – COMMUNITY ROOM  
IOWA SCHOOL FOR THE DEAF  
COUNCIL BLUFFS, IOWA**

**Committee Members Present**

Regent Milt Dakovich, Chair  
Rod Lehnertz, University of Iowa Senior Vice President, Finance & Operations  
Warren Madden, Iowa State University Senior Vice President for Business and Finance  
Michael Hager, University of Northern Iowa Senior Vice President for Finance and Operations  
Patrice Sayre, Board of Regents Chief Business Officer

**Committee Members Absent**

Regent Patricia Cownie

**Presenters / Respondents**

Joan Racki, Board of Regents Policy and Operations Officer  
John Nash, Board of Regents Assistant Director of Facilities  
David Kieft, University of Iowa Business Manager

**Other Regents in Attendance**

Regent Katie Mulholland  
Regent Larry McKibben  
Regent Mary Andringa  
Regent Sherry Bates  
Regent Rachel Johnson

Chair Dakovich called the meeting to order at 2:50 p.m.

**Agenda Item 1 - Minutes of February 24, 2016, Committee Meeting**

The minutes of the February 24, 2016 meeting, as presented, were accepted by General Consent.

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

University of Iowa Senior Vice President, Finance & Operations Rod Lehnertz presented the Register of University of Iowa Capital Improvement Business Transactions. He noted that University of Iowa Hospitals and Clinics (UIHC) Senior Associate Director John Staley was present should there be questions on the two UIHC projects.

In response to a question from Chair Dakovich, Senior Vice President Lehnertz said the Psychological and Brain Sciences Building - Construct Facility project would displace some parking as it gets built on part of an existing surface parking lot at the east end of the Iowa Avenue project site. The razing of the remainder of Seashore Hall would create an opportunity to recover those parking spaces, add additional parking, and gain some valuable green space. In response to a follow-up question from Chair Dakovich, Senior Vice President Lehnertz said there is a private-giving component to the project's funding that has been arranged with Provost Barry Butler and the College of Liberal Arts and Sciences.

In response to a question from Board of Regents Chief Business Officer Sayre, Senior Vice President Lehnertz said that there would be some passage of time between the two phases of Seashore Hall's demolition. In the first phase, Seashore Hall's southeast corner would be demolished as part of the Psychological and Brain Sciences Building - Construct Facility project. In the second phase, the remainder of Seashore Hall would be demolished once all of the building's occupants move to other locations including the completed Psychological and Brain Sciences Building and space that has been used temporarily for units displaced by the flood of 2008 becomes available as the flood recovery projects are completed. He noted that the construction of the new building and the demolition of Seashore Hall would result in a net reduction (approximately 70,000 gross square feet) of campus space.

Senior Vice President Lehnertz updated the committee on the proposed Museum of Art replacement project. (The old Museum of Art was negatively impacted by the 2008 flood.) He noted that a feasibility study is advancing and focusing on a site south of the Main Library that meets the needs of the University very well. Chair Dakovich expressed his enthusiasm for the "revised project" and said it was a "win-win" for everybody.

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

1. Following actions for the **UIHC-Renovation and Expansion of Central Sterilization Services** and **UIHC-Adult Inpatient Single Bed Conversion** projects; both 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 and exploration of the utilization of construction manager – agent delivery method for both projects.

2. Following actions for the **Psychological and Brain Sciences Building - Construct Facility** 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 C of memorandum);
  - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration;
  - c. Raze a portion of Seashore Hall; and
  - d. Approve the schematic design, project description, and budget (\$33,500,000), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.
  
3. Project description and budget (\$6,200,000) for the **Utilities Distribution System - Reconstruct Currier Steam Tunnel at Burge Hall** project.

### **Agenda Item 3 – Institutional Agreements, Leases and Easements**

Board of Regents Assistant Director of Facilities John Nash presented the agenda item, with University of Iowa Business Manager Kieft giving details of SUI's proposed lease with Hubbard Warehouse for additional warehouse space for UIHC Processed Stores' medical supplies on the west part of town. Business Manager Kieft requested an amendment of the proposed lease from 27,000 square feet to 34,300 square feet (at the same lease rate per square foot as outlined in the docket memorandum) to create storage for the UIHC IT department.

Iowa State University Senior Vice President for Business and Finance Warren Madden described the University's proposed lease with Dickson Jensen and Luann Jensen for a two-court tennis facility near the Sukup Men's Basketball Facility on the west side of town for the ISU's Women's Tennis team. The University received a \$500,000 gift toward this facility. He proposed a second lease with SBA Steel II, LLC to install new Iowa Public Radio antennas and transmitters at SBA's Knoxville, Iowa tower location. He also requested authority to negotiate and delegate to the Executive Director approval of easements with Dakota Access, LLC allowing Dakota Access to install a crude oil pipeline across 34 acres of University property.

University of Northern Iowa Senior Vice President Hager presented an easement with First United Methodist Church to allow the church to construct new storm and sanitary sewer lines from its adjacent 20-acre property to the nearest utility connection points located on University property.

By General Consent, the Committee recommended to the Board approval of one lease (with Hubbard Warehouse I, LLC & Hubbard Warehouse II, LLC) for the benefit of the University of Iowa, two leases (with Dickson Jensen and Luann Jensen, and SBA Steel II, LLC) and one easement (with Dakota Access, LLC) for the benefit of Iowa State University and one easement (with First United Methodist Church) for the benefit of the University of Northern Iowa.

**Agenda Item 4 - University of Iowa Update of Flood Recovery Status**

Senior Vice President Lehnertz presented the update, including the four reports presented at each Committee meeting. He noted that the flood recovery projects are moving forward and are on schedule. Substantial completion (95% complete) for Hancher Auditorium and the Art Building will occur before the June 2016 Board meeting. The Music Building's substantial completion is set for late summer. Ribbon cutting ceremonies will be held during the Fall 2016 semester when students are back on campus.

The Committee received the report.

**Agenda Item 5 – Discussion of Future Committee Agenda Items and Other Items**

Policy and Operations Officer Joan Racki noted that the FY 2017 Capital Plans would be brought forward at the June 2016 Committee meeting.

Chair Dakovich adjourned the meeting at 3:15 p.m.