

The State Board of Regents met at the University of Northern Iowa on Thursday and Friday, November 15-16, 1979. Those present were:

	<u>November 15</u>	<u>November 16</u>
Members of State Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mrs. Belin	All Sessions	All Sessions
Mr. Brownlee	Absent	Absent
Dr. Harris	All Sessions	All Sessions
Mrs. Jorgensen	All Sessions	All Sessions
Mr. Neu	All Sessions	All Sessions
Mr. Wenstrand	All Sessions	All Sessions
Office of State Board of Regents:		
Executive Secretary Richey	All Sessions	All Sessions
Director Barak	All Sessions	All Sessions
Director McMurray	All Sessions	All Sessions
Director Sonnenschein	All Sessions	Absent
Director Volm	All Sessions	All Sessions
Ms. Baker	All Sessions	All Sessions
Mrs. Mininger	All Sessions	All Sessions
State University of Iowa:		
President Boyd	All Sessions	Exc. 1:25 p.m.
Vice President Bezanson	All Sessions	Exc. 1:25 p.m.
Assistant Vice President Small	All Sessions	Exc. 1:25 p.m.
Assistant to President Mahon		Exc. 1:25 p.m.
Director Hawkins	All Sessions	Exc. 1:25 p.m.
Director Tobin	All Sessions	Exc. 1:25 p.m.
Iowa State University:		
President Parks		Exc. 1:30 p.m.
Vice President Christensen	All Sessions	Exc. 1:30 p.m.
Vice President Hamilton	All Sessions	Exc. 1:30 p.m.
Vice President Moore	All Sessions	Exc. 1:30 p.m.
Assistant Vice President Madden	All Sessions	Exc. 1:30 p.m.
University of Northern Iowa:		
President Kamericak	All Sessions	Exc. 1:35 p.m.
Provost Martin	All Sessions	Exc. 1:35 p.m.
Vice President Stansbury	All Sessions	Exc. 1:35 p.m.
Director Kelly	All Sessions	Exc. 1:35 p.m.
Iowa School for the Deaf:		
Superintendent Giangreco	All Sessions	Exc. 1:35 p.m.
Business Manager Kuehnhold	All Sessions	Exc. 1:35 p.m.
Iowa Braille and Sight Saving School:		
Superintendent DeMott	All Sessions	Exc. 1:35 p.m.
Business Manager Berry	All Sessions	Exc. 1:35 p.m.

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, November 15, 1979.

INTRODUCTIONS. Superintendent DeMott introduced Ronald K. Malone, new Director of Planning and Personnel at the Iowa Braille and Sight Saving School.

MINUTES. Minutes of the October meeting were distributed at this meeting. Regents were given an opportunity to review the minutes during the evening and approval of them was postponed until the following day.

COMMITTEE ON EDUCATIONAL COORDINATION. A. Post-Audit - Ph.D. Program in Genetics - University of Iowa. Board acceptance of the post-audit report and approval of the continuance of the Ph.D. Program in Genetics at the university, with the request that the university report back in two years regarding the questions contained in Number 3 of the Regents' review procedures was recommended. At the October meeting, the board referred this matter to the Committee for Educational Coordination and the Board Office for review. In recommending acceptance of the post-audit report, the committee made the following comments:

- Eleven students have enrolled in the program since it began in 1976 and it is anticipated that enrollment will increase to 18 by 1982.
- The program complements other opportunities for study in the biological and health science areas and meets its goals at relatively little cost. It also utilizes space, equipment, computer facilities, and library resources available to faculty sponsors.

MOTION:

Dr. Harris moved board acceptance of the post-audit report and approval of the continuance of the Ph.D. Program in Genetics at the State University of Iowa, with the request that the university report back in two years (fall 1981) regarding the questions contained in Number 3 of the Regents' review procedures. Mrs. Belin seconded the motion and it passed unanimously.

President Petersen thanked the university for its commitment to excellence in the behavioral sciences and noted that the program will be reviewed again in two years.

B. Proposal for Study of Doctoral Programs in Education. Vice-President Christensen indicated there had not been sufficient time to review a report and asked that this matter be deferred until the next board meeting.

Vice-President Martin agreed to this but expressed concern about the delay because scheduling for review of their doctoral programs has been done on the assumption that a proposal would be completed 6 months from the June meeting. Regent Harris suggested that the committee and Board Office meet before the next board meeting and present their recommendation to the Regents either by phone or letter to give the Regents an opportunity to respond. President Petersen stated that this would be left up to the discretion of the Board Office and committee. She noted that the press would be informed if any recommendation was considered prior to the next board meeting.

ACCREDITATION REPORT - UNDERGRADUATE PROGRAMS IN COMPUTER ENGINEERING AND IN NUCLEAR ENGINEERING - IOWA STATE UNIVERSITY. It was recommended that the board receive the report on the Engineers' Council for Professional Development Accreditation of the Undergraduate Programs in Nuclear and Computer Engineering at Iowa State University.

The following comments were considered to be relevant to the Engineers' Council for Professional Development (ECPD) accreditation of these programs.

In spite of the newness of the two programs, the ECPD found them to be strong and to meet minimum requirements.

The ECPD found the facilities in Nuclear Engineering are adequate for present needs and for reasonable future growth. However, laboratory space for Computer Engineering is barely adequate for present needs and additional space must be provided to accommodate future growth. Funding appears to be adequate for each program except for capital equipment. This condition needs immediate attention that laboratory equipment and instrumentation can be maintained at a reasonably modern level.

The faculty in each area is adequate in number, in quality, and in preparation. The students appeared to be well prepared in the necessary fundamentals obtained in high school and in the freshman engineering program.

The support staffing is adequate for Nuclear Engineering. However, technician help for Computer Engineering is inadequate and should receive prompt improvement.

The ECPD action on these programs is to (re)accredit until September 30, 1983, when the next general review is scheduled.

Iowa State University should be congratulated for its achievement of accreditation in the undergraduate programs in Nuclear and Computer Engineering. A complete report on this accreditation, including the self-studies prepared by Iowa State University, are available in the Board Office.

In the absence of any objections, President Petersen accepted the report on Computer Engineering and Nuclear Engineering at Iowa State University on behalf of the board.

REPORT ON MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The Iowa Coordinating Council for Post-High School Education met on November 1 at the Brenton Student Center of Simpson College in Indianola for its regular monthly meeting. Below is a brief summary of the major actions taken at the Coordinating Council meeting.

1. The Data Collection Committee Report

The Data Collection Committee of the Iowa Coordinating Council for Post-High School Education reported on a meeting held the day before regarding a proposal by the Iowa College Aid Commission to develop a comprehensive information system for postsecondary education in Iowa. The committee chairman, William Baley, reported that the Data Collection Committee approved a motion to: (1) continue the present data collection activities (i.e., the preparation of the Data Digest with the possibility of cutting back sections which are determined to be of little interest; and (2) to adopt at this time only the first step of a three-step proposal by the Iowa College Aid Commission for developing the information system. This first step would include the assessment of the need for an information system for post-secondary education in Iowa. The second two steps of the proposal would be to develop and implement an information system. The Coordinating Council approved a motion to accept the Data Collection Committee's recommendations regarding the first phase of the proposed study.

The Regents' discussion centered on the first part of the committee's motion. Mr. Barak indicated that there is a need to assess whether or not the data is used, who uses it, and how it could be improved.

2. Report on the Lifelong Learning Project

The Coordinating Council received a report on the Lifelong Learning Project by Forrest Van Oss, the project director.

3. Proposed Revenue Bonding for the Merged Area Schools

The Coordinating Council had a long discussion regarding the merits or the proposed revenue bonding for the area schools and adopted a resolution which indicated that the Coordinating Council did not oppose the effort by the area schools to secure legislation permitting them to utilize revenue bonding for the construction of dormitories and parking lots.

4. Legislation Programs

The Coordinating Council heard status reports on the legislative programs of the various organizations composing the Council. The Independent Colleges, the Department of Public Instruction and the Regents had not officially adopted their legislative program for this year, so only preliminary information was provided to the Council for these groups. The Iowa College Aid Commission recommendations for Fiscal Year 1980-1981 were provided to the Council by Willis Ann Wolfe

5. New Program

The only segment requesting Council action regarding proposed programs was the Department of Public Instruction.

6. Washington Report

The Council heard a report by William Farrell, Associate Vice President from the University of Iowa, regarding the current activities in Washington concerning legislation of interest to higher education.

Regent Bailey said that in view of our dependence upon federal authority, we should take a more active interest and keep ourselves informed as to what is happening in the federal area. President Petersen suggested that it is important for the institutions to keep the board informed on items that affect them greatly.

REPORT ON MEETING OF IOWA COLLEGE AID COMMISSION. Regent Bailey reported that the Iowa College Aid Commission asked him to attend a conference in Arizona related to scholarships and the Iowa guaranteed student loan program. One of the points made at the conference is that work study funds can be used for the handicapped. The funds can be used either for someone working with the handicapped or a handicapped student can be a recipient of the funds.

The first meeting of the Board of Directors of the newly established Student Loan Liquidity Corporation was held on November 6. Officers elected were: Marvin Selden - President and Berry Petroski - Vice-President. The firm of Belin, Harris, Helmick & Lovrien was retained as legal counsel. President Selden will set up three committees: one related to the determination of fiscal advisors or underwriters in connection with the issuing of revenue bonds; one for the determination of potential loan officers; and one related to by-laws.

The Commission still has not heard from ACT in regard to a contract for the present year. They were invited to the November 6 meeting but did not attend. The Commission is planning to make a counter offer.

One item of discussion at the Commission meeting concerned a request by the College of Osteopathic Medicine and Surgery for the commission to sponsor its request for an increase in funds from the Legislature. Regent Bailey asked if the board wanted to take a position on this issue. His personal feeling was that the enactment by the Legislature in providing the College of Osteopathic Medicine with funds was the result of a request by the College and any additional request should remain the initiative and prerogative of the Legislature; it should not be supported by the College Aid Commission. The board agreed that this was not an issue for the commission to pursue. Regent Bailey indicated that if there were no instructions from the Board, he would follow his personal view.

ANNUAL REPORT ON FALL ENROLLMENTS, PART II. President Petersen reminded the Board that the Annual Report on Fall Enrollment, Part I was received at the October meeting. She cautioned the Regents to be sure they felt the figures contained in the report were realistic and that they should be willing to defend them as official projections after they receive the report. Once the report is accepted, it becomes the official budgetary information until the figures are reviewed again.

The Board Office mentioned that the models used in the report are basically good ones and the accuracy of the institutional projections was confirmed at a meeting held in Denver several years ago to discuss such models. The Board Office suggested that a model developed for the legislature by SUI for projecting statewide enrollments be updated. The Interinstitutional Committee has been asked if there is any interest in interinstitutionally working on this model.

In respect to the use of enrollment projections for future planning, President Petersen stated that while teaching is an important function of the universities, other functions, such as research, are also important. In the future society will of necessity put a greater reliance for capital for improvement in creating, refining, and applying ideas practically in society. It is important to keep in mind that institutions are broad based and have functions beyond teaching so it is necessary to be planning about what happens to the teaching function and other functions as well.

In response to a question from President Petersen, Superintendent Giangreco indicated that the projections for ISD may change. The pre-school will be taken out of ISD. Once the public school staffing is completed, more accurate projections can be made. Mr. Richey noted that other factors could have an impact on the projections for ISD such as the mainstreaming of some students and the possibility of a 12-month school for the handicapped. Superintendent Demott also stated that he has no confidence in the figures for ISBSSS. There is an impact in the kinds of services that are being requested. Summer is the logical time for some students to take courses at IBSSS. These programs have an impact on the program but don't get reflected in the figures. Much of this depends on the population - those in residence will need long-term service; short-term services are needed for those whose only impairment is visual. A large number of these students may be serviced in a year's time. Both Mr. DeMott and Mr. Giangreco agreed that any proposed changes in their programs would be brought before the Board.

After this discussion, President Petersen accepted the Fall 1979 Enrollment Report, Part II on behalf of the Board.

LEGISLATIVE PROGRAM, 1980 SESSION

It was noted that reports will be made to the board on a regular basis as the Legislature reconvenes. This month the report was primarily concerned with 8 of the 22 study committees approved by the Legislative Council last spring. The 8 committees discussed were: Human Resources Subcommittee, K-12 Curriculum, Legislative Subcommittee on IPERS, Joint Subcommittee of the Commerce Committee on Utility Rates, Joint Land Use Subcommittee of the Senate and House Standing Committees on Natural Resources, and Energy Conservation, Availability and Use Subcommittee.

In regard to the statement about the Human Resources Subcommittee (House File 701, Mental Health), Max Hawkins questioned the phrase in the bill that the educational and research components of the new agency "could be at Iowa City." It was his understanding that the phrase should be "shall be at Iowa City." Mr. Richey answered that this question would be addressed in December.

Other discussion dealt with how an institution should handle appropriations matters which are initiated by an individual legislator or legislative committee. All such legislation should be brought immediately to the attention of the board through the Board Office. It was also noted that there is a difference between giving expert testimony and being involved in initiating legislation as an individual.

In response to a question from Regent Harris, President Petersen advised that the Board of Regents can legally act only as a group. If an individual Regent has a concern or an idea, the appropriate channel and opportunity for input is through discussion of the board. The board will make a decision as to what a request

will be. It is inappropriate for individual members to act on behalf of the board or for an individual Regent to pursue a policy leading to legislation. Once the board has acted on a particular matter, board members should state "The position of the board is..." and give the reasons why.

A full report on the municipal bonding activities of the legislature will be provided to the board in the December legislative report. Also, a full report on the carry-over legislation from the first session of interest to the Regents will be prepared for the December board meeting.

A report on problems in medical and dental education will be presented to the board by the University of Iowa in December.

In the absence of objections, President Petersen accepted the report on behalf of the board.

EXECUTIVE SESSION. President Petersen announced that the board would meet in executive session for discussion on collective bargaining.

On roll call vote as to whether to enter into executive session, the following voted:

AYE: Bailey, Belin, Harris, Jorgensen, Neu, Shaw, Wenstrand, Petersen.
NAY: None.
ABSENT: Brownlee.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session at 4:30 p.m. and arose therefrom at 5:35 p.m.

The following business pertaining to general or miscellaneous items was transacted on Friday, November 16, 1979.

APPROVAL OF MINUTES. The October minutes, which were distributed at the beginning of the meeting on Thursday, were approved. President Petersen stated that any additions or substantive changes could be turned in to the Board Office.

TEN-YEAR BUILDING PROGRAM. The Board Office noted initially that the ten-year building program must be filed annually with the Legislature seven days after the convening of each session.

In the Board Office report there were several differences noted in the program from that presented in 1979. These included expression of all costs in 1980 dollars for new buildings, movable equipment, utility needs, energy programs, and statewide health services in the 1981-1989 program segment through addition of an 11% inflation factor, which is the projected inflation rate for fiscal 1979-1980. Second, the new buildings and movable equipment portion of the program more clearly delineates the future needs of all three universities. Third, the energy management program is included in the program for the first time. Fourth, there is a new factor for statewide health services.

Factors in the Program

1. New Buildings

The 1981-1989 segment projects the construction of nine new buildings at the institutions. These are in addition to the Library Addition at Iowa State University and the Communications Building and Theater Addition at the University of Iowa. With one exception, all costs are expressed in 1980 dollars. The cost of any one of these facilities will be higher than stated when the project is actually requested of the Governor and the Legislature. No attempt has been made to rank these buildings in any type of interinstitutional priority order. That will be done when the structures become part of the institutional capital request for a particular year or biennium. The types of buildings on the 1981-1989 portion of the program indicate generally that the institutions still have a need for new space for specialized functions. There is very little on the list in terms of construction of general classroom or office space. It is primarily a list of functions which are either unique to a particular institution or to house programs which never have been properly housed and for which demand continues to be high. The 10-year enrollment projections indicate that there will be some substantial declines in enrollment at the institutions over the next 10 years. Perhaps the major decline is projected to occur at the University of Northern Iowa. It appears the projects on the UNI list, at this point, reflect this enrollment decline and are of the type that would be needed, regardless of such declines, as long as the university has certain missions.

2. Movable Equipment

Movable equipment in each case in the 1981-1989 period is generated on the basis of 10% of the cost of construction for new buildings and also for facilities for which equipment funds have not been requested to date. Also added to this program is a factor for equipment for remodeling which is based upon 5% of the remodeling factor. This will, if funded in the years ahead, provide some much-needed relief for the institutions in keeping up with equipment needs. Also included is \$150,000 for Field House equipment at the University of Iowa which is based upon 5% of the estimated remodeling cost of \$3,000,000.

3. Remodeling

Remodeling requests in the 10-year program are based upon the life-of-building formula. The life-of-building formula assumes a useful building life of 100 years and, during its life, a building will undergo two complete renovations. One renovation would be funded from operating building repairs funds and the other would be funded from capital funds. The three-year phase in requested by the board in 1979 would have taken the university amounts up to 23¢/gross square foot for 1979-80; 31¢ for 1980-1981; and 40¢ thereafter. The 40¢ is based upon the remodeling of two-thirds of a building and an average assumption, across the board, of \$60/square foot for university replacement space. The formula is quite conservative as costs have soared over the past several years. We have been less than successful in getting adequate maintenance money from either the operating or the capital side. More effort has got to be placed on remodeling existing facilities and properly maintaining facilities in the future.

4. Utility Needs

The utility needs are based on presentations made by the physical plant directors. The institutions currently estimate that there are capital utility needs totaling about \$54 million in the 1981-1989 period. Most of these needs are of the recurring type necessary to properly maintain utility plants at the institutions. Some of the major new projects or plant expansion that are believed to be ahead include the construction of an east campus chilled water plant at the University of Iowa, an electrical interconnection with the City of Ames for the Iowa State University plant, and the installation of a second coal-fired boiler at Plant #2 at the University of Northern Iowa at the end of the ten years. The program does not include a possible new power plant for the University of Iowa which may be required near the end of the 10 years.

5. Energy Program

The Board of Regents' universities have put together a program to modify 9.8 million gross square feet of General Fund space at the universities, which has as its overall objective a significant reduction in fuel and purchased electricity demands. In this instance, costs are expressed in inflated dollars through the life of the program. Approximately one-half of the cost could be funded from anticipated savings in fuel and purchased electricity operating budgets through a re-appropriation process on those savings, should the Legislature determine that was a better course. The program, when completed, should reduce the current fuel and purchased electricity budgets of the universities by a conservative 35%.

6. Health Services

This factor is new to the program and includes at this point an addition to the Hygienic Laboratory at the University of Iowa's Oakdale campus and two additions to the west side chilled water plant.

This program should be viewed primarily as a planning tool. The board is not, through adoption of this program, giving its approval, tacit or otherwise, to any project. The program does not even contain all of the institutional needs as viewed by the institutions. It does indicate that the state needs to continue to make a significant investment in Regents' facilities over the next ten years, if even some basic institutional needs are to be met.

Mr. McMurray opened the discussion by stating that the 10-year building program contains some basic programs and does not include all of the desires of the institutions. A canvas of institutions was conducted on the basis of academic seminars and by talking to some of the planning officers about additional types of space. The University of Northern Iowa has asked for \$15 million in connections with 6 structures that do not appear on the program at this time; Iowa School for the Deaf expressed some major needs in engineering research, computer science, and, near the end of the 10 years, a need for additional space for biochemistry and physics; and the University of Iowa expressed needs in business administration, engineering, and faculty art studios. Although \$250,000,000 may seem to be a high demand on state resources, the programs that are not included would increase this amount to \$300-325 million.

One of the questions about the report was posed by Regent Bailey who felt that differentials in the cost of square footage for some of the buildings were extremely wide. The Law Center is listed at \$84.63/gsf while listings for other buildings range from \$128.46/gsf to \$40/gsf. Mr. Richey indicated that these ranges could be attributed to the differences in the types of buildings, such as need for classrooms or laboratories, depending on the discipline. He also said that these cost estimates are supplied by institutions and are subject to evaluation by outside consultants. In response to a query by Regent Wenstrand, Mr. McMurray said that the reason for the large increase in the cost estimate for the Agronomy Building is due to a decision to put all functions into the same location and a tentative decision to include the soils lab which was not in the original plan.

MOTION:

Dr. Harris moved that the Board approve the submittal of the 10-year capital program totaling \$250 million to the 1980 legislature. Mr. Neu seconded the motion and it passed unanimously.

The program listing follows:

BOARD OF REGENTS' UNIVERSITIES CAPITAL NEEDS

1979-1989 (1)

(\$000)

	1979 Appropriations	FY 1980-81 Request	1981-89 Program (4 Biennia)	Total 1979-89 Program
<u>University of Iowa:</u>				
New Buildings	\$ 600	\$ 9,400	\$ 14,890	\$ 24,890
Movable Equipment	--	--	3,578	3,578
Remodeling	--	3,380	15,882	19,262
Utility Needs	4,688	892	21,168	26,748
Energy Program	1,740	340	9,540	11,620
Statewide Health Services	--	200	5,962	6,162
TOTAL	\$ 7,028	\$14,212	\$ 71,020	\$ 92,260
<u>Iowa State University:</u>				
New Buildings	\$ 8,100	\$ --	\$ 35,970	\$ 44,070
Movable Equipment	1,800	650	5,132	7,582
Remodeling	4,400	--	14,618	19,018
Utility Needs	3,614	280	22,588	26,482
Energy Program	1,740	340	9,540	11,620
TOTAL	\$19,654	\$ 1,270	\$ 87,848	\$108,772
<u>University of Northern Iowa:</u>				
New Buildings	\$ --	\$ 285	\$ 19,020	\$ 19,305
Movable Equipment	--	--	2,196	2,196
Remodeling	136	1,375	5,114	6,625
Utility Needs	3,998	--	10,709	14,707
Energy Program	1,198	170	4,770	6,135
TOTAL	\$ 5,329	\$ 1,830	\$ 41,809	\$ 48,968
<u>SUMMARY</u>				
New Buildings	\$ 8,700	\$ 9,685	\$ 69,880	\$ 88,265
Movable Equipment	1,800	650	10,906	13,356
Remodeling	4,536	4,755	35,614	44,905
Utility Needs	12,300	1,172	54,465	67,937
Energy Program	1,195	170	23,850	29,375
Statewide Health Services	--	200	5,962	6,162
TOTAL	\$32,011	\$17,312	\$200,677	\$250,000

- (1) Includes only basic capital projects funded by the state; does not include non-state capital funded projects or special programs such as casualty losses; handicapped access program; fire deficiencies; tuition replacement, some of which may be state funded. Other exceptions are noted in the individual institutional programs.

CAPITAL REQUEST, 1980 SESSION.

The Board Office noted that at its October meeting the board approved a capital request of \$17,250,000 to the Governor and the 1980 Legislature to be funded by direct appropriations. Since that meeting, some four additional projects have been reviewed and are recommended for inclusion in the capital program. The total amount of the capital program as revised is \$19,455,000, plus \$1,855,000 for a roadway on the west campus at the University of Iowa.

Program A, Emergency Needs and Casualty Losses, includes three projects. Two of these projects are new to the list. They are the University of Northern Iowa Fire Safety Deficiencies and the Demolition of Old Power Plant Stack and Ash House at Iowa Braille and Sight Saving School.

UNI was cited for fire safety deficiencies and after reviewing the recommendation and citations, the institution drew up a plan to eliminate all such deficiencies. A number of housekeeping deficiencies have already been eliminated. Items to which a dollar cost was attached totaled \$1,658,656, expressed in 1979 dollars. Modifications are required on 25 academic buildings and range in cost from \$200 to \$300,000. The Board Office recommended that funds be sought to make modifications to 24 of the 25 buildings, with the exception being funds needed to make changes in Wright Hall. The board already has on its capital list a request for \$860,000 to renovate Wright Hall and fire safety modifications should be made a part of that project, within that budget, for economy of scale reasons.

Regent Wenstrand was interested in knowing how long it had been since the last inspection by the Fire Marshal and if the institution agreed with the Fire Marshal's findings. He also wanted to know whether the deficiencies were the result of age or changes in standards. Vice-President Stansbury indicated that the last inspection was done about 1968-1969. The deficiencies are the result of both age and changes in standards. He has worked with the fire marshall and found some variances. The balance of what is left is in the request. In response to another question, Mr. Stansbury said that even though a sizable amount of money is requested, the least expensive methods have been chosen to correct the deficiencies.

The Board Office indicated that Shive-Hattery & Associates of Iowa City have reviewed the smoke stack at IBSSS and found that it has marginal structural stability and adequacy and that total failure is not immediately anticipated. However, since there is no functional need to retain the stack, it is recommended that removal of the stack be budgeted and scheduled within the next calendar year. The Ash House does not present any emergency need but its existence would create serious demolition problems for the contractor demolishing the stack so it is included in the project.

The amount requested, \$65,000, is smaller than normally desirable to request of the Legislature, but it is not a small amount for an institution with an annual building repairs budget of slightly more than \$70,000.

Also included in the emergency needs and casualty loss program are repairs to the turbine generator project at Iowa State University.

Program B is now the program entitled New Construction, Remodeling and Equipment. An addition to that list is one of the two projects connected with the construction of the Hawkeye Sports Arena and that is Utility Connections to Hawkeye Sports Arena - \$890,000. This project will provide for the extension of university utility services to the Hawkeye Sports Arena and for area and on-site storm and water drainage facilities. These utility services include water, sanitary sewer, storm sewers, electrical service and steam service. Some 88% of the total project costs of approximately \$23.7 million for the Hawkeye Sports Arena and Recreation Facilities program is being funded from non-state sources. Reasons lending support to state funding for portions of the Arena project include the fact that the state does not subsidize men's intercollegiate athletics at the University of Iowa, and more than 75% of the total capitalized investment in buildings which can be eventually turned over to physical education and recreation came from non-state sources. This state funding acts as a partial tradeoff for this investment. It is noted that the availability of this arena will permit the Athletic Office Building, the Field House, and the Armory to be turned over to primarily physical education and recreational usage.

Another project new to the list and additional to the capital program request of the board totaling \$19,455,000 is the construction of a west campus roadway. This project is estimated to cost \$1,855,000. The road will serve not only as a means of access to the arena facility but also as a much-needed improvement for daily traffic to and from the west campus of the university and the road will become the main entrance to the west campus of the University of Iowa.

Funding for this road is proposed to be in two parts. First, \$1,363,000 will be requested of the 1980 Session by the City of Iowa City to be appropriated to the Executive Council. Second, the City of Iowa City plans to assess the State Department of Transportation for intersection improvements and alterations in the amount of \$492,000. It is recommended that the Board of Regents lend their support and cooperation to the efforts of the City of Iowa City, with both the State Legislature and the Department of Transportation. It has been determined that it is not feasible or likely that the State Parks and Institutional Roads Fund could support this magnitude of project over the next ten to fifteen years and the project is clearly needed well in advance of significant traffic build-up on the west campus when the arena opens.

MOTION:

Mrs. Belin moved that the board approve a capital request to the Governor and to the 1980 Legislature of \$19,455,000 to be funded by direct appropriation and that the board support the inclusion of a request to the Governor and the 1980 Session of a project to construct a west campus roadway in the amount of \$1,855,000, indicating board support for the procedure set forth above. Mr. Wenstrand seconded the motion and it passed unanimously.

A listing of the capital programs request follows.

CAPITAL PROGRAMS REQUEST OF
STATE BOARD OF REGENTS FOR 1980

(Revised November, 1979)

PROGRAM A

Emergency Needs & Casualty Losses

(All equal priority)

<u>Recommended Priority Class</u>	<u>Institution</u> ¹	<u>Project</u>	<u>Project Request</u>
	ISU	Repairs to Turbine Generator damaged in fire July, 1979	\$ 700
	UNI	Fire Safety Deficiencies	1,250
	IBSSS	Demolition of old power plant stack and ash house	60
			<u>\$ 2,010</u>

PROGRAM B

New Construction, Remodeling & Equipment

1	ISU	Old Veterinary Medicine Quadrangle-- Renovate for Education & Psychology-- Equipment and Utility Distribution Improvements	\$ 930
1	SUI	Old Armory Replacement with Communica- tions and Performing Arts Facility Construction	9,400
		a. Communications Facility (w/o equipment) 47,000 GSF	\$ 5,250
		b. University Theatre Addition (w/o equipment) 36,000 GSF	\$ 4,150
1	SUI	Utility Connections to Hawkeye Sports Arena	890
1	UNI	Russell Hall Renovate - Construction	380
2	SUI	Chemistry Botany Building Safety Modifications (Phase II and Functional remodeling)	3,380
3	UNI	Communication Arts Center - Final Phase - <u>Planning</u> (80% of 6% to take plans to bid stage)	280

(PROGRAM B CONTINUED)

<u>Recommended Priority Class</u>	<u>Institution¹</u>	<u>Project</u>	<u>Project Request²</u>
3	ISD	Recreation Improvements	130
		a. Pool Expansion	\$ 90
		b. Recreational Facility - Planning - 55% of 7% to take plans into working drawings)	\$ 40
3	UNI	Wright Hall - Renovate	860
3	UNI	Sabin Hall - Conversion for Offices	135
		SUBTOTAL PROGRAM B	<u>\$ 16,390</u>

PROGRAM CStatewide Health Services Program

-	SUI	State Hygienic Laboratory - Planning for new addition	\$ 200
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PROGRAM D

-	SBR	Phase II and Phase III Detailed energy audits and working drawings on 3.0 m. GSF	850
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		TOTAL CAPITAL PROGRAMS REQUEST	<u>\$ 19,455</u>
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State Executive Council		West Campus Roadway	<u>\$ 1,855</u>
		Appropriations	\$1,363,000
		Assessments to IDOT	<u>492,000</u>

SUI - University of Iowa
 ISU - Iowa State University
 UNI - University of Northern Iowa
 ISD - Iowa School for the Deaf
 IBSSS - Iowa Braille & Sight Saving School

All costs are expressed in actual funding needed at time contracts are projected to be awarded.

Subject to confirmation/change in February, 1980, when damage is assessed and liability determined.

ANNUAL REPORT OF REGENTS MERIT SYSTEM. Mr. Volm summarized the annual report. The first table shows the number of permanent employees as of September. There has been about a 1% increase over the figure for 1978. The second table shows a breakdown by job category which shows no substantial changes from previous years. The table on Distribution of Merit System Employees by Institution and Pay Grade Assignment shows that 57% of employees are at the University of Iowa; 32% at ISU; 8% at UNI; and 3% at IDS and IBSSS. In regard to the table on Average Annual Salary Rates, an annual review of salaries is being planned to get specific data to determine how the merit system compares at this time. There has been no substantial variance over recent years in the Distribution of Merit System Employees Salary Rates by Step in Pay Ranges. The total number of Merit System Classification Transactions in 1978-1979 is down by 30% from the previous year. In 1977-1978 there was a 60% increase over the year 1976-1977. This was the result of expansion at university hospitals and classification studies of large units. There have been no like studies done over the past year. In regard to the table on Detail of Selection Activity there has been the same number of applicants as the year before but the number of examinations scored increased. In regard to the Composition of Merit System Employees 1975-1979 by institution and Minority-Nonminority Categories there has been a slight increases from 2 1/2% to 2.8%. In response to a question from Regent Neu, Mr. Volm indicated that relevant areas refers to the geographic area. In Exhibit 10 there is no substantial change in regard to people laid off. At the University of Iowa 3 laid off employees have been rehired and 3 have found work elsewhere. The four employees laid off at ISU have not been rehired - 3 of them were in very technical positions that have been discontinued and there has been no opportunity to reemploy them and another was a secretary with limited opportunity for employment. The 1 laid off employee at the University of Northern Iowa has left the state and the 2 at Iowa School for the Deaf have been rehired. Exhibit 11 is about Classification Appeal Hearings and Grievance Arbitrations. These include only those actions taken through the Merit System, Other requests were processed under collective bargaining arrangements.

Mr. Volm expressed appreciation for the competent work done at the institutional personnel offices.

In accepting the report on behalf of the board, President Petersen thanked Mr. Volm and his staff and underscored his thanks to the institutional departments.

PROPOSED REVISIONS IN CERTAIN FRINGE BENEFITS TO EMPLOYEES. The recommended action was as follows:

- A. That the board approve the employer payment of dual single premium contributions toward a family policy for married employees of the Regents institutions who are participating in the same health insurance plan covering the professional and scientific staff and faculty effective January 1, 1980, with the total amount contributed to be based on the single premium rate for the applicable plan but not to exceed the total premium rate for a family policy.
- B. That the Board approve the University of Iowa proposal to modify its waiver of premium benefit for faculty and staff participants in the TIAA-CREF retirement program:
 1. by providing for a cost of living adjustment of up to 5% a year in the contributions paid to retirement plans for faculty and staff who become disabled, and
 2. by provision of phased-in coverage for new faculty and staff members who would be eligible only for 20% of the benefit after the first year of employment, 40% after the second year and so on until fully covered after 5 years of employment.

Recommendation A above is comparable to a recommendation made by the Executive Council Insurance Committee which the Executive Council accepted and approved on July 9, 1979. The recommendation stated in part

"That, effective January 1, 1980, and subject to agreement by the employee organizations, where both the wife and husband are employees eligible to enroll for a health benefit established by the Executive Council, the employer of each spouse pay an amount equal to the premium for a single Program I contract by the employer or employers of both spouses not to exceed the premium for the family contract selected."

The universities were asked by the Board Office to examine the possibility of implementation of a similar program for their faculty and professional and scientific groups covered under the universities' health insurance plans, subject to board approval.

The University of Iowa and the University of Northern Iowa each have only one plan so that no difficulty should arise in determining the amount of the dual single premium contribution. However, Iowa State University has two separate plans, the High Option plan and the PAT 500 plan, with two different single premium rates. Iowa State University is suggesting that under the spouse program the dual single premium contribution toward either family coverage be at the lower single premium rate for the "second person." In explanation, they note that the more expensive high option plan may soon be dropped since there is little participation in that plan. Until the high option plan is eliminated, the Board Office proposes that the dual contribution be made on the following

basis. Spouses electing family coverage under the High Option plan each receive the dual contribution of the single premium rate for the High Option plan not to exceed the family premium for that plan. Spouses electing family coverage under PAT 500 each receive the dual contribution of the single premium rate for PAT 500 not to exceed the family premium for that plan.

In his opening remarks, Mr. Richey said that at his request the Vice-President and Provost informed the organized faculty group at UNI of the proposed action. The response from the head of that organization indicated that it is their understanding that this is a proposal by the board to amend their contract. This is not the intent of the recommendation. The recommendation is not to provide anything by contract or any contractual right but merely to provide the same health insurance for those employees in the organized unit as is available to all other employees. He also said that the budget this year for health insurance assumed an 11% increase in premiums and that full amount has not been experienced. Therefore, there are funds available to support this proposal. Mr. Madden stated that although ISU would prefer to do as their committee recommended, the Board Office proposal would be acceptable to them.

MOTION:

Mr. Shaw moved part A as above. The motion was seconded by Mr. Bailey after clarifying that the motion did not include ISU's proposal and that it would not constitute an amendment to collective bargaining. This portion of the recommendation passed unanimously.

The university's Funded Retirement and Insurance Committee proposed a change to the current University of Iowa waiver of premium policy which provides for maintenance of contributions to disabled employees' TIAA-CREF retirement plans. To protect against the serious effects of inflation on retirement benefits for employees who are disabled for long periods of time, the University has proposed adoption of a cost of living clause tied to the consumer price index that would increase retirement contributions up to a maximum of 5% a year. In order to fund that benefit, the university proposes that faculty and staff who are hired after the new policy is adopted (and who under the existing policy would be eligible after one year for full maintenance of retirement contributions in case of total disability) be subject to a five-year phase in to full protection, in increments of 20% a year.

The change would become effective on January 1, 1980, and would involve a change in carriers from TIAA to the Bankers Life Company.

Regent Shaw raised several objections to this plan: the private sector does not have such an arrangement and this is an unprecedented action, increasing benefits according to inflation would have the effect of compounding inflation, there are additional costs and some insurance coverage is being removed from other groups or individuals, and it removes incentive for employees to come off disability. Several people noted that although the private sector does

not have such a plan, it could be viewed as being imaginative and resourceful. The university is often a testing ground for new ideas. Mr. Bezanson stated that this particular proposal does not have a cost because there is a trade off in obtaining the escalator on the contribution during any period of disability. Several people also noted that the problem in relation to disability has not been in getting individuals to go off disability but to get them to go on disability. Individuals must consent to go on disability and sometimes this creates an economic hardship. Ms. Small noted that when the waiver takes effect, reserves will be set aside and TIAA-CREF will continue to pay those contributions for those who became disabled under the TIAA-CREF policy. She also noted that the stepping-in process used by the university would prevent individuals coming to the university just to take advantage of the disability program. She said that Bankers Life was willing to write this plan because of the university's experience with disability claims which have not been that high. In response to Regent Bailey's concern that a benefit would be taken away from some employees, Ms. Small added that new employees would be phased in under the new program. No existing benefits would be taken from present employees.

Mr. Richey, in response to a question, said interinstitutional consultation had taken place. Fringe benefit plans at the institutions do not have to be identical in terms. The overall valuation of the total fringe benefits should be somewhat similar although not identical because salary plans are not necessarily identical. President Parks indicated that ISU endorses this proposal but at the present time Iowa State University could not accommodate the plan in its budget.

MOTION:

Dr. Harris moved item B as above and Mr. Wenstrand seconded the motion.

The motion passed with Mr. Shaw opposed.

SEMIANNUAL REPORT ON PURCHASING. Since the last report to the board in May, 1979, the purchasing officers have met three times. Highlights of these meetings as presented by the Board Office were:

- Awarded joint contracts for envelopes, batteries, photo lamps, photo supplies, and ice cream.
- Initiated discussion on the development of standard purchase order terms and conditions, which would then be utilized by all five institutions.
- Hosted a meeting with the directors of purchasing for the State Department of General Services and Iowa Department of Transportation.
- The Regents' institutions listed substantial needs for standard vehicles with the State Department of General Services and that department jointly bid the Board of Regents' needs with those of other state agencies. The committee anticipates presenting its recommendations to the board at the December meeting on purchase and disposal policies for motor vehicles for 1980 models.

Highlights from the institutional narrative reports were on:

- Examples of inter-agency cooperation
- Examples of savings that resulted from handling requisitions in a different way, introducing alternates, by changing sources from those recommended by the requesting department
- Iowa State University reports on the pricing situation faced by institutions and listed examples showing price inflation
- Iowa State University reports on its program to test the use of methyl alcohol as a motor fuel.

The following information gives some statistical measure of the increase in scope of the Regents' purchasing operations during the past five years. Current volume of purchasing activity is over \$137 million and involves placement of in excess of 190,000 orders a year and processing over 245,000 vouchers annually. Perhaps equally important is the fact that cash discounts realized at the institutions have risen to over \$300,000 annually. These cash discounts are possible because of prompt payment by the institutions and clearly represent savings to the institutions. The fact that these have gone up substantially indicates that the institutions are working hard to gain cash discounts whenever possible. Furthermore, in time of inflation, it is felt that vendors appreciate the work of the institutions to help the cash flow situation. It is also doubtful that this level of cash discounts could be realized if control of the purchasing operations rested anywhere else than at the individual institution.

A. Total Dollar Volume of Purchasing Activity

	<u>1978-79</u>	<u>1977-78</u>	<u>1976-77</u>	<u>1975-76</u>	<u>1974-75</u>
SUI	\$74,118,661	\$66,016,166	\$60,036,644	\$55,776,955	\$50,964,696
ISU	53,605,001	53,002,836	50,166,775	45,513,822	43,290,502
UNI	5,601,202	5,188,346	4,540,226	3,982,871	4,092,536
ISD	1,274,882	1,547,162	912,041	689,430	794,972
IBSSS	<u>2,465,294</u>	<u>1,720,182</u>	<u>923,801</u>	<u>1,145,027</u>	<u>758,185</u>
Totals	<u>\$137,065,040</u>	<u>\$127,474,692</u>	<u>\$116,579,487</u>	<u>\$107,108,105</u>	<u>\$99,900,891</u>

B. Total Orders Placed (Regular, Printing, Local Small Orders, Blanket, Emergency)*

	<u>1978-79</u>	<u>1977-78</u>	<u>1976-77</u>	<u>1975-76</u>	<u>1974-75</u>
SUI	93,834	91,718	86,598	85,767	81,771
ISU	77,207	74,512	71,068	70,803	70,632
UNI	16,407	15,583	14,030	13,868	12,479
ISD	1,907	1,889	2,032	2,150	2,508
IBSSS	<u>1,060</u>	<u>1,066</u>	<u>1,298</u>	<u>901</u>	<u>1,091</u>
Totals	<u>190,415</u>	<u>184,768</u>	<u>175,026</u>	<u>173,489</u>	<u>168,481</u>

*Excludes purchasing vouchers of which Regents' institutions had 245,700 in 1978-79, up slightly from the 243,677 in 1977-78.

C. Cash Discounts Realized (All Institutions)

1978-79	\$310,157
1977-78	265,092
1976-77	204,904
1975-76	213,531
1974-75	169,423

In the absence of objections, President Petersen accepted the report on behalf of the Board and commended the purchasing officers for their efforts.

REPORT ON MEETING OF ASSOCIATION OF GOVERNING BOARDS. President Petersen called the Board's attention to the written proceedings of the Association of Governing Boards Report. Clark Kerr and Frank Newman were featured speakers and focused on the role of boards in the future. She thought the meeting went very well.

BOARD OFFICE PERSONNEL REGISTER. The following action was shown on the Board Office Personnel Register and was recommended for ratification:

New Appointment:

Roberta J. Holmes, Secretary II, \$10,039 plus usual fringe benefits, effective October 1, 1979.

Barbara Baker, Secretary III, Minutes Secretary, \$12,063 annually plus usual fringe benefits, effective November 8, 1979.

Jacqueline Soloman, Secretary II, Regents Merit division, \$10,039 annually plus usual fringe benefits, effective November 13, 1979.

Robert L. Huber, Regents Merit, Classification Program Administrator, \$18,000 annually plus usual fringe benefits and moving expenses from Davenport, Iowa, effective December 1, 1979.

Change of Appointment:

Ellen L. Discher, Secretary III, Minutes Secretary to Secretary II, at \$10,996 annually, effective November 9, 1979.

Resignations:

Roberta J. Holmes, Secretary II, during probationary period, effective October 25 1979.

Bonita A. Fagerstrom, Secretary II, effective October 25, 1979.

In the absence of objections, President Petersen ratified the November, 1979, Register of Personnel Changes as reported by the Board Office.

NEXT MEETINGS.

December 19-20	Iowa State University	Ames
January 17-18		Des Moines
February 21-22	University of Iowa	Iowa City
March 18-19 (Tue. & Wed.)	Iowa State University	Ames
April 17-18	University of Northern Iowa	Cedar Falls
	Iowa Braille & Sight Saving School	Vinton
May 15-16	University of Iowa	Iowa City
June 18-19	Iowa State University	Ames
July 17-18	University of Northern Iowa	Cedar Falls

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the general docket. There were none.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Friday, November 16, 1979.

HAWKEYE SPORTS ARENA. The Board Office noted the university has put together a total package which involves construction of a 14,000 seat sports arena, which also includes approximately 60,000 square feet for public uses, intercollegiate athletic offices, locker rooms, athletic support facilities, and building support areas. The facility can be used for varsity basketball, volley ball practices and tournaments, national wrestling tournaments, and for stage events. The expanded main floor area is also suitable for tennis tournaments and available for student recreation when not in use for varsity purposes.

The project also includes a major renovation of the Field House, which will see that facility devoted to physical education and student recreation with the exception of the intercollegiate swimming program and gymnastics which will remain in the building. Also, there will be development of new outdoor playing field areas, as well as improvements to flag football and soccer fields adjacent to the arena site and lighting four of the eight flag football fields.

The university establishes a procedure by which the project will proceed hereafter. It is anticipated that the first contracts for the arena will be let in the spring of 1980 and that construction will require some 18-24 months. The Field House renovation will begin upon the completion of the arena project. Most of the work on improving outdoor play areas and establishing new such areas will be intertwined with the work on the two major portions of the project. The university intends to use a fast-track construction method and multiple bid-letting to try to hedge on inflationary pressures as much as possible.

Vice-President Bezanson began the university's presentation of the Hawkeye Sports Arena by introducing Jay Bauer of Caudill Rowlett Scott and Norm Werkler and Max Schmidt of the Durrant Group of Dubuque who would be taking part in the presentation. He said students Dave Dix, Dave Arens, and Niel Ritchie were in attendance to give student views on the project.

Vice-President Bezanson said the arena project is based on efforts to accomplish two objectives - to satisfy serious space needs for recreation and for intercollegiate athletics. He showed slides dealing with the following components of the project:

Play fields will be realigned with the arena and parking space. One additional football field will be added and the old Finkbine golf course will be developed into a play field for some intercollegiate softball, recreational softball, and group sports. There will be a good deal of space for further development later.

Half of the parking lot south of the Field House will be converted to hard surface play courts for recreational use which will serve the west side dorms. The east side dorms presently have access to hard surface courts.

Norm Werkler continued the slide presentation with a series of slides about the Field House renovation:

Ground level. A lot of space will become available as the varsity athletics are moved out. Their locker facilities will become available. Since the building has a mode of flexibility, it would be easy to change the proportion of locker space in the future so that increased usage could be accommodated. The trophy cases in the lobby area will be removed and a weight lifting facility will be developed in that area. The present lobby and ticket sales area will be redeveloped to meet special and handicapped recreational facility needs.

Main level. Metal seating will be removed which will leave space that can be developed for various uses. The present gymnastics gym and north gym will stay as they are. Removal of lockers will make the development of 10 racquet ball courts possible. Offices will also be relocated.

Next level. It will be possible to develop some additional open spaces or activities rooms. Since the emphasis on the types of sports and games played changes over time, the rooms will not be identified for specific sports. A 1/10 mile track will be developed. Spaces now assigned for weight lifting and wrestling located above the pool area will be available for reassignment. Removing the weight and wrestling space is the only major construction required.

In response to questions, President Boyd stated that indoor tennis would be available in the Recreation Building and the ROTC Program would remain in the Field House.

Jay Bauer conducted the next part of the slide presentation. He showed slides depicting the architect's conception of the arena. The arena will have 14,000 seats, 2,000 of which will be retractable. The roof of the arena will be constructed of weathered steel. The image of the building is to be low line with high visibility at entry.

He began with a slide of the campus showing the location of the arena. The arena would be located in a prime western location for high image building. A second slide was of the point of view from east to west showing the existing roadway. He said placing the building in the ravine will make it possible to build seats on the natural grade. The next slide showed the interior of the building. Support facilities have been put in areas created by natural openings in the ravine. The roof will be supported by a bridge-like structure spanning across the roof held up by perimeter columns. There will be a skylight to provide natural daylight and to help lighten the load. This type of roof eliminates a lot of exterior wall. Entrances will be at both the upper level and at more normal corners at mid-level and it will be possible to circulate all the way through the building. The design will make access possible in all types of weather and give easy access to the handicapped.

Regent Shaw expressed a concern about the amount of snow that the roof could support. Mr. Bauer answered that the roof is being designed to support at least 6 feet of snow. Vice-President Bezanson noted that although from an aesthetic point of view this roof is a marvelous concept, the university does have some concerns about it in terms of leakage. Alternative roof plans are being developed. Regent Neu asked about the drainage situation. The response was that there will be a catch basin that will drain parking lots and the ravine. A presently existing large culvert will be capped and taken to the perimeter of the ravine and will pick up a series of perimeter drains. The culvert will be taken around to the other side. There will be a sloping area adjacent to the building so that water will flow away from the building. There will be roof drains that will take water off at particular points and there will be scupping around the floor of the site. Regent Wenstrand wanted to know if draining water would stain the walls of the building. It was noted that the overhang would prevent this problem. In response to a question from President Petersen, Mr. Mauer indicated that studies on storm sewers are underway and no conclusion has been reached.

Another question was raised by Regent Belin who wanted to know if there were any such facilities with this kind of roof presently existing. There are similar structures which have stood the test of time.

President Petersen raised the issue of whether or not the roof would be far enough from the ground so that it would not become an attractive nuisance. Mr. Mauer said the roof would be about 15 feet above the ground and this matter is under study.

The university presented the following budget and explanations:

EXPENDITURES

Arena Construction	\$16,585,000	This includes construction of the building, mechanical and other kinds of utility systems within the building, equipment and fees. It also includes an 8% contingency built into the budget. There is a 10% general contingency on top of this and 1% per month for inflation to the mid-point of construction.
Field House Remodeling	\$ 3,000,000	This is similar to the above explanation.
Utilities Extensions	\$ 892,000	This figure represents the cost of extending the utility system to the facility (not outside).

Site Development	\$ 404,000	This is for the cost of site development around the building and the cost of relocating the bike path. It will be necessary to relocate the bike path because of parking lots and the new road.
Parking	\$ 672,000	An analysis was done of parking needs for the facility. With new lots and existing lots, parking will be ample and it will serve to satisfy some parking needs during the day.
Outdoor Playfields	\$ 300,000	This is for realignment and hard surfacing such areas as mentioned earlier.
Road	\$ 1,855,000	The cost of the road has increased from original projections because of refinements in the scope of what the road is to accomplish.
<hr/>		
TOTAL	\$23,708,000	

SOURCES OF FUNDS

Public Bonds	\$12,000,000	It is being preplanned that the amount will be <u>\$14,250,000</u> . Of this, \$1,250,000 will be immediately placed into a bond reserve and \$12,000,000 will go directly to arena and recreation facilities construction. The revenue pledge for this issue will be a) student fees; b) ticket surcharge for football, wrestling and basketball games of male intercollegiate athletics; and c) \$240,000 annual from Kinnick Stadium revenues and interest income. The student fee pledge will be \$10.64 per semester, plus \$4.96 for the summer session, for fiscal years 1979-1980 and 1980-1981; increasing to \$12.85 per semester, plus \$5.96 for the summer session, beginning in 1981-1982. That increase anticipates a 10% increase in student fees and the university does note that, if for any reason the tuition does not increase
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Public Bonds (cont.)

as anticipated, the board will be committing the additional amounts for the arena. Reallocation of either student fees or tuition income would have to be undertaken at that time in fulfillment of the commitment to the repayment of the bonds. The major source of funding for student fees, however, comes from a procedure to defease the union bonds and once those bonds are defeased, the student fees currently allocated to the repayment of the union bonds, which is \$8.50 per semester, plus \$4.00 per summer session, will be available to be re-designated by the Board of Regents to the arena project. The Kinnick Stadium loan will be eliminated. This loan is currently with Iowa-Des Moines National Bank and it was taken out to recondition Kinnick Stadium in 1976. The Men's Athletic Department is now repaying that loan in an amount of \$240,000 per year. The university anticipates prepaying the \$1.09 million principal of this loan, plus any interest that is due, at the date of prepayment. The board will be requested at the appropriate time to approve prepayment. The document on the loan agreement states that interest on the loan would be at the rate equal to the annual rate of $\frac{1}{2}$ of 1%, plus the annual discount rate of the Federal Reserve Bank of Chicago. The interest percentage initially was $6\frac{1}{2}\%$ and that percentage has recently increased to 8%. It is likely that unless the loan is paid off shortly after the first of the year through use of Treasurer's Temporary Investment Income to be reimbursed by bond proceeds, the interest rate would be increased substantially as the Federal Reserve discount rate has soared out of sight over the past few months. Once this loan is eliminated, the \$240,000 per year pledge of the Men's Athletic Department will be pledged to the bond issue. Specifications are currently being finalized for sale of bonds. Twelve million dollars would go toward construction of the project, \$1 million would be

Public Bonds (cont.)

utilized to capitalize earlier project expenditures, and about \$1,250,000 would be used to establish initially the full requirements of a bond and interest reserve fund.

Private \$ 7,600,000

The U of I Foundation and the Alumni Association are undertaking a fund raising campaign.

Road \$ 1,855,000

Of this, \$1,350,000 will pay for the portion of the road that runs from the hospital to the intersection with Highway 2. The university will work with Iowa City in requesting a state matching appropriation to the Executive Council to pay for construction of the road. The remainder of the amount will be obtained by Iowa City from road funds of the Iowa DOT.

Parking \$ 672,000

The system for construction, maintenance, and repair of lots at the university is designed to be self-supporting.

Investment Income \$ 689,000

This will come from university funds.

Utility Appropriations \$ 892,000

This would be an appropriation to meet the cost of extending the utility system to buildings on campus and the cost of diverting water and some other special problems that must be supported in this facility.

TOTAL \$23,708,000

In response to questions from the Regents Mr. Bezanson said that the steam system at the university has the capacity to adequately heat the new facility without depriving other buildings and that the cost for the arena includes furnishings and movable equipment.

Regent Harris expressed the belief that the fund raising effort might raise more than the proposed amount and wanted to know how excess funds would be handled. President Boyd indicated that other fund raising efforts would be conducted at the same time and that he felt it would be a major accomplishment to reach the stated goal of \$7,600,000. However, he did say that any contributions received toward the arena beyond the proposed amount would be applied to this project.

Another question posed by Regent Harris was when the decision about the type of roof to be constructed would be final. Vice-President Bezanson indicated that if the project progresses as is hoped, a decision about the roof will be made within the next quarter. At that point additional studies and work will have been done by the architects. President Petersen noted that such decisions will be made before plans go out for bid.

In response to a question from Regent Bailey in regard to the bond issue about the current cost of money, Vice-President Bezanson said the university hopes to go to the market sometime in the first quarter of next year. It is hoped that the market will have stabilized. Susan Phillips indicated that although interest rates are very high, Iowa paper has a strong rating. They will watch the market and go in as early as they can.

Dave Dix, Vice-President of the Student Senate, read a letter addressed to the board from Donn Stanley, President of the Student Senate. In the letter Mr. Stanley expressed support for the sports arena and noted that there are a few issues which still need to be resolved. Some of Student Senate's concerns are an assurance that the Field House renovation will be completed and that additional student fees would not be imposed. Mr. Dix added that he thought the students were treated fairly and equitably in discussions about this project.

Niel Ritchie of the Collegiate Associations Council (CAC) pledged support for the university in its capital askings from the Legislature and recognized efforts to provide suitable classroom flexibility and problems of the enrollment dilemma. He said that one of the most pressing needs for students is financial aid. If students had to make a choice between student fees being used for financial aid or developing a new arena, they would choose financial aid. In pledging the CAC's support for the arena, the CAC recognizes the importance of the arena. Mr. Ritchie asked that the CAC resolution be read into the minutes and this was approved by President Petersen. The resolution follows.

SSR-79-28
790-CR-7

Re: The Arena

Submitted by: The UISAS and UICAC

We, the Student Associations of the University of Iowa, support the Arena Recreation proposal as presented and concur in the use of student mandatory fees noting certain provisos and/or stipulations.

1) That there be a written assurance from the Board of Regents to the students at the University of Iowa stating that the Fieldhouse renovation be carried out and completed as planned.

2) That students be guaranteed access to 6000 of the total seats in the new Arena.

3) That students be sold approximately 75% of the retractable seats surrounding the court, with the remainder of student seating distributed in a contiguous fashion from center court to the corner.

4) That a ticket policy be adopted guaranteeing that students who wish to, have the opportunity to see at least some of the basketball games.

5) That the hours in the existing facilities, North Hall, Halsey Gym, the Fieldhouse and recreation building be expanded to meet some of the remaining needs of recreation without infringing upon academic space.

6) That the operating costs for the renovated Fieldhouse and arena be paid out of the University's general fund.

7) That there be no locker fee assessed for student use of lockers in the renovated Fieldhouse.

8) That the fiscal integrity of the Iowa Memorial Union and the programs therein be guaranteed in light of the loss of boarding revenue.

9) That the Board of Regents continue to fight to maintain adequate financial aid to prevent any situation which renders the university inaccessible to any student, as a result of this designation of the mandatory student fees to the Arena-Recreation Project.

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10) That excess fundraising monies would be applied equally among all constituencies.

11) That the handicapped be guaranteed reasonable seating in the Arena.

Dave Ahrens, also representing the CAC, said that he thought as far as the students are involved, they are getting a lot and the Athletic Department is getting a lot. Everybody should be proud of the project. There are two aspects of the project which are important - consideration of Title IX and accessibility for the handicapped. He also said that the students have been treated very fairly and that he thought their needs had been well brought out.

The recommendations were that the board approve the project, preliminary plans and a total budget of \$23,708,000; authorize the university to enter into a limited agreement with CM Inc., Denver, Colorado, for interim construction management services to include the arena, related utilities, road, parking, and site development activities; authorize the university to enter into a limited agreement with Shive-Hattery Associates, Iowa City, Iowa, for interim civil engineering services associated with site development, domestic water, storm and sanitary sewer installations, roadways, and parking; approve the procedure for construction which is fast-track construction and multiple bid-letting; approve an addition to the capital request to the 1980 session of \$892,000 for utilities services to the arena and area and on-site storm, water, and drainage facilities; approve the procedure whereby the West Campus Roadway project is funded by an appropriation to the State Executive Council for the use and benefit of the City of Iowa City and assessments are made by the City of Iowa City to the Iowa Department of Transportation in the amount of \$492,000 and support both actions by the City of Iowa City; receive the progress report on debt financing as outlined above; and grant permission to the university to purchase U.S. Government securities in amounts adequate to retire Iowa Memorial Union Revenue Bonds, Series 1962.

Bill Barnes, of the College of Business, stated that there are 3 elements to consider in conventional construction. These elements are 1) general conditions affecting costs of the facility during construction, temporary utilities, 2) reimburseables, and 3) general contracts. In conventional construction the cost of these elements runs about 8-10% of the project. By using the fast-track, multiple-bid method, it is anticipated that a savings of 2-3% will be realized. Another major cost of the project is inflation escalation and it is hoped that this method will save some time on the project.

In response to a question from Regent Jorgensen, executive secretary Richey said that all of these figures are estimates and may get larger. Regent Belin asked if the arena was a single purpose building and if the Field House would be strictly for recreational use. President Boyd indicated that every facility has a multiple use and facilities must be shared.

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Further anticipated future actions to be requested of the board include:

1. Approval of the prepayment of the Kinnick Stadium loan.
2. Approval of the escrow agreement on defeasance of the union bonds.
3. Approval of a bond resolution and, concurrently, the designation of various portions of student fees to be utilized to repay that bond issue.
4. Sale of bonds.

MOTION:

Mr. Bailey moved that the board approve the project, preliminary plans and a total budget of \$23,708,000; authorize the university to enter into a limited agreement with CM Inc., Denver, Colorado, for interim construction management services for this project to include the arena, related utilities, road, parking, and site development activities with the limited agreement for interim services providing for compensation according to hourly personnel rates for services provided and being limited to \$20,000 and 45 days; authorize the university to enter into a limited agreement with Shive-Hattery Associates, Iowa City, Iowa, for interim civil engineering services associated with site development, domestic water, storm and sanitary sewer installations, roadways, and parking, with the limited agreement for interim civil engineering services providing for compensation according to hourly personnel rates for services provided and being limited to \$88,000 and eight weeks; approve the procedure for construction which is fast-track construction and multiple bid-letting; approve an addition to the capital request to the 1980 session of \$892,000 for utilities services to the arena and area and on-site storm, water, and drainage facilities; approve the procedure whereby the West Campus Roadway project, estimated to cost \$1,855,000, is funded by an appropriation to the State Executive

Council for the use and benefit of the City of Iowa City of \$1,363,000 and assessments are made by the City of Iowa City to the Department of Transportation in the amount of \$492,000 and support both actions by the City of Iowa City; receive the progress report on debt financing as outlined above; and grant permission to the university to purchase U.S. Government securities in amounts adequate to retire Iowa Memorial Union Revenue Bonds, Series 1962. Mr. Harris seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for November, 1979, had been received, was in order and was recommended for approval. Three supplemental items were added to the preliminary register. These are consultant contracts for the University Theater Addition, Communications Facility and the Law Building.

The following construction contracts awarded by the executive secretary were recommended for ratification:

University Hospitals - Additional Air Conditioning Capacity for Information Systems Equipment Room

Award to: Jones Plumbing and Heating, Inc., Iowa City, Iowa \$35,500.00

Pharmacy Building - Replace Distilled Water System

Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa \$98,470.00

Industrial Design and Metalsmithing Studio Remodeling - School of Art and Art History-Arts Building

Award to: University Climate Control, Inc., Iowa City, Iowa \$93,735.00

The following construction contract was recommended for rejection:

University Hospitals Gothic Tower and Concourse Roof Replacements

Bids were received on this project on October 19. A single bid was received which substantially exceeded the amount budgeted for construction. The amount was \$27,000, whereas the single bid was for \$47,680. It was recommended that this bid be rejected and the project be rebid for springtime work.

The following new projects were presented to the board for approval:

University Hospitals - Internal Medicine Faculty Offices Development

Source of Funds: University Hospitals Building Repairs \$94,000.00

The board previously had ratified selection of R. Neumann Associates, Iowa City, Iowa, to provide final design services and site survey services on this project on an hourly rate basis with a maximum fee of \$6,000. This is about 6.4% of the project budget.

The following three projects are funded by the Utility Appropriations made by the 1979 legislative session:

Coal Elevator Replacement \$153,000.00

The board previously had ratified selection of Stanley Consultants, Muscatine, Iowa, to provide full engineering services on this project on an hourly rate basis, at a maximum cost of \$17,300. Compensation is 11.3% of the project budget. This fee is higher than normal rates, but this project is very complicated.

Power Plant - Replace West Coal Silo \$133,00.00

The board previously had ratified selection of Stanley Consultants, Inc., Muscatine, Iowa, to provide full design services on this project on an hourly rate basis at a maximum cost of \$15,000. Compensation is 11.3% of the budget. This project is tied in to the coal elevator replacement and the complications spread to both projects.

Power Plant - Rebuild Rotor on Elliott Turbine \$102,000.00

The university notes that Stanley Consultants, Inc. is designated as engineer and that a future register will include an entry requesting ratification of the firm for engineering services on the project.

All three project amounts track with the appropriations made for the utilities. Also, in each instance, Stanley Consultants is or will be the engineer and the Physical Plant Department will act as inspection supervisor.

The university requested board ratification of its award for architectural/engineering services on 10 contracts.

Neonatal Nursery

This project involves total conversion of the existing 19-year-old labor and delivery suite and adjacent support areas in General Hospital and North Tower. The project at present is comprised of five separate projects to facilitate completion schedules and interrelate to temporary nursery relocations. The

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existing nursery needs to continue to function during all phases of the project. Estimated construction cost of the overall project is \$555,600. This register contains entries on contracts with Engineering Associates, Cedar Rapids, Iowa, for all phases of the project. The phases are 4-West Isolation Room Development Upgrade 4-West Support Services, Blood Gas Lab and Storage Area Remodeling, 4-West Isolation Room Development and Neonatal Nursery Remodeling. Each of the five agreements are on an hourly rate basis and maximum fee for the total services in five different contracts is established at \$13,8000. Services to be provided in each instance are final design services through final plans/specifications, advertisement for receipt of bids, recommendation for award of contract and site survey services. To date the board has not approved a project budget for any of the pieces of the Neonatal Nursery project. However, based upon preliminary construction cost estimates furnished to the Board Office, the fee is reasonable. Ratify awards for five contracts.

South Pavilion - Phase A

The university has selected Shive Hattery and Associates, Iowa City, Iowa, to provide topographical survey services on an hourly rate basis at a maximum of \$6,705. This contract is for specialty type work over and beyond the contract for general architectural services, previously commissioned with Hansen Lind Meyer, Iowa City.

Renovation for Handicapped Access - Phase III

There are four entries on the register detailing additional compensation to The Durrant Group, Inc., Dubuque, Iowa, for architectural services involved with the handicapped access program. The Durrant Group initially established a preliminary budget and project description for the elevator portion of the project at a cost of \$10,5000, and undertook preliminary study on five projects at an additional cost of \$6,500.

The university has chosen The Durrant Group to provide final design services for the following projects:

Art Building - Install Elevator
Agricultural Medicine Research Facility - Install Elevator
Museum of Art - Install Chair Lift
Hydraulics Laboratory - Reconstruct Elevator.

Compensation to the architects is on an hourly rate basis with individual costs. The maximum fee for all four projects totals \$22,890. Ratify awards of four contracts.

University Theater Addition

This is a 36,000 gross square foot addition to the theater, which has an estimated cost of \$4,348,277. Of this amount \$198,277 has already been provided through the planning appropriations made by the 1979 Session. The remaining \$4,150,000 for construction is part of the board's capital request to the 1980 Session. Cost per gross square foot is estimated to be \$120.79.

In September Iowa architects and eight out-of-state firms were invited to express interest in providing design services for this project. A total of 14 expressions of interest were received. A panel of staff and users developed an interview list from the list of fourteen. The interview list included two Iowa and two out-of-state firms. The interviews took place on October 30. On November 1 the selection committee and user representatives recommended the selection of Abramovitz Harris Kingsland, New York. The committee was concerned with the importance of maintaining continuity of design with the addition and its relationship to the rest of the fine arts campus. Since this firm designed all of the modern era buildings on the Iowa Center for the Arts campus, the committee believed that it would be able to meet this objective.

The university has negotiated a full services contract with this firm and compensation is a fixed fee of \$185,000 plus reimbursable expenses at a maximum of \$10,000. The university is contracting for services through about 90% of a normal, full services contract since post-contracting services, as per procedures at the University of Iowa, are limited to shop drawing review and material color selection. Compensation on a percentage basis figures at 5.3% of the estimated construction of \$3,465,000, or 4.25% of the overall project cost of \$4.3 million.

Communications Facility

The Communications facility involves construction of 47,000 gross square feet at an overall cost of \$5,496,812. Planning funds provided by the 1979 Session were approximately \$246,812, with the remaining \$5,250,000 for construction being requested of the 1980 Session as part of the Board of Regents' capital request.

The same procedures were used in advising architects of the university interest in securing architectural services as were used for the Theater addition. Twelve responses were received from Iowa architects and three were received from out-of-state firms. The interview included three Iowa firms and two out-of-state firms. Interviews took place on October 25. On November 1 the selection committee and user representatives recommended the selection of Thorson-Brom-Brosnar-Snyder, Waterloo, Iowa. Part of the reason for the selection of the Thorson firm was that the selection committee was impressed by the overall quality of work done by the firm on a variety of projects over the years. Some of these projects were done at the University of Northern Iowa, including the Library Addition and the Education Center.

A formal contract has been drawn to provide full architectural services through the life of the project which are for about 90% of a normal, full services contract, in that post-contracting services are limited to show drawing review and material color selection. Compensation shall be on the basis of a fixed fee of \$240,000, plus a maximum of \$15,000 for reimbursable expenses.

Architectural compensation is 5.47% of the construction budget of \$4,390,000, or 4.37% of the overall budget of \$5.5 million. On both the theater and the communications facility, the architect will proceed to develop working drawings as quickly as possible, without any stop/start, if construction funds are provided by the 1980 Session.

Law Building

The university plans to construct a totally new law center consisting of 177,500 gross square feet. Estimated cost of the facility expressed in 1980 dollars is \$15,021,000, of which approximately \$131,000 was funded by 1979 planning appropriations. Construction funds will not be requested until the 1981 Session. At that time, the \$14,890,000 figure will be adjusted upward to account for inflation and to bring costs to the mid-point of construction.

The same procedures were used in notifying architects of the project as were used for the Theater addition and Communications facility. Responses were received from ten Iowa architects and eight out-of-state firms. The selection panel interviewed our out-of-state firm, one in-state firm, and one combination proposal. Interviews took place on October 26. On November 1, the selection committee and user representatives recommended the selection of Gunnar Birkerts and Associates with Wehner, Nowysz, Pattschull, and Pfiffner, Iowa City, Iowa, in association with Gunnar Birkerts.

This firm was considered because of its successful handling of a difficult expansion of the library and other facilities for the University of Michigan College of Law and the generally high quality of design it has demonstrated on other projects. The association with the Iowa City-based firm will provide convenience liaison between the university and the architectural team. Neither of the firms has in-house engineering capability and this talent must be added to the team.

The university intends to bring forward a two-phase architectural contract. The initial contract (Phase I) will provide for programming, schematic design, and design development at a fixed fee of \$309,1000 plus reimbursable expense maximum of \$5,000. That fee will take the project through programming

and 40% of a normal, full services contract. It is intended to carry design development further than normal in recognition that planning might be shelved for a period prior to beginning construction documents. Provision will be made in the contract to halt the project possibly at the completion of programming and schematic design if the university determines that is desirable. The board will be consulted prior to initiation of design development.

Phase II, which involves completion of contract and design services through the life of the project, will be for a fixed fee of \$368,375 additional. The contract will need to be renegotiated to reflect inflationary pressure on the anticipated construction cost at the time those services are provided. The board would be requested to approve any such renegotiated contract.

Compensation on the full services project is 4.95% of the estimated 1980 dollar construction budget of \$14,050,000, or 4.63% of the total project cost of \$15 million.

Regent Bailey noted that approving the selection of Gunnar Birkets, and Associates would in effect approve going ahead with the schematic design and design development for the law building which would relate it to one site. He was concerned that a discussion about this site had not been before the board. President Petersen said that when the institution brought the proposal for a new law building to the board, she thought the selected site had been made clear although it was not approved. She told Regent Bailey that he was within his rights to bring up an objection at this time. Regent Bailey had several concerns about a site on the east side of the campus. He felt placing not placing the Law College with the rest of the professional schools would be demeaning to the law profession. Another question raised was whether the proposed site would foreclose expansion of the library. Mr. McMurray said an additional site for potential library expansion would be available after Old Armory is razed. This building is directly across the street from the library.

President Petersen called for a review of the site at the December board meeting. She emphasized that this is an individual request and not a request by the board. Vice-President Bezanson indicated that the review would not delay the project because there is still some negotiating and initial work dealing with the program to be done.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Business Transactions for November, 1979; ratify awards of construction contracts made by the executive secretary; reject the single bid for University Hospitals Gothic Tower and Concourse Roof Replacements; approve the new projects; ratify awards for architectural/engineering services on the projects

listed above; approve the three consultant contracts as shown above; and authorize the executive secretary to sign all necessary documents. The motion was seconded by Mrs. Belin and was passed unanimously.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the State University of Iowa were ratified by the board.

CAMPUS CABLE TELEVISION SYSTEM. The action requested was to receive the status report on the establishment of a campus cable television system.

Vice-President Bezanson opened discussion by informing the board that the university is negotiating with Hawkeye Cablevision for installation of a cable television system. Students in the dormitories and the Collegiate Associations Council have been consulted. There will be an impact on dormitory rates resulting from this installation that will reflect the cost of the monthly fee. The fee will be a a very low level because of the quantity the university is able to provide. The obligation to Hawkeye Cablevision is to lease space on campus for some of their equipment for a 15-year period.

President Petersen asked for comments from the students and Jim Barfuss, Chairman of the Student Senate Housing Committee, expressed a concern about students who do not plan to have television sets in their rooms. They will not personally benefit from the cable system but will have to pay the monthly fee.

President Boyd stated that this was more than a status report and if there was any uncertainty, the matter should be deferred.

Vice-President Bezanson stated that the option of allowing individuals to choose whether or not to have cable television was not available. He indicated that 70% of dormitory rooms have televisions in them. One of the main values of the system is the educational possibilities on campus that will result from the system.

Niel Ritchie told the board the Association of Residence Halls voted unanimously to support the installation of cable television. Their support is given with the understanding that there will be some financial problems that will need to be worked out. Students will have access to televisions in dormitory lounges and he believed that conflicts in individual rooms could be worked out.

The Regents asked whether or not it is desirable to have a TV in every room and whether the initial investment required for a television set before a student could take advantage of the system could be a problem. It was also questioned whether or not there is a precedent for such a move and how it has worked.

President Petersen, with no objections from the board, asked that this matter be included on the docket next month.

CATALOG CHANGES. The Board Office said that as indicated in Vice-President Brodbeck's statement of trends, the data indicate that during the past year, 278 courses were added to the curriculum, while 119 were eliminated, for a net increase of 159 courses. The course changes in the College of Dentistry have largely resulted from a new emphasis on two patient groups that heretofore have not received appropriate attention: the geriatric patient and the handicapped patient. Changes in the College of Medicine courses represent in part normal turnover in departmental course offerings, the expansion of the information base, and increased scholarly efforts and the broadening of the base of teaching efforts. In the College of Nursing, the undergraduate curriculum is being evaluated in several ways resulting in various course changes. The graduate nursing program, a masters' degree program, initiated a revised curriculum in the 1978-79 year. In establishing the revised curriculum, a number of new courses were developed.

The largest number of course changes occurred in the College of Liberal Arts. Many of these changes reflect a response to changing interests and needs of students. Some involve an increase in specificity of course offering without really requiring more courses. The Department of Economics, in the College of Business Administration, added new courses as the result of student interest and need for more information in those areas. Other courses were dropped due to a lack of demand. Changes in the College of Education were made within the context of the five-year academic planning report. The College of Engineering shows a relatively stable situation after the major organizational changes and program consolidations in the past five years.

Regent Jorgensen was interested in knowing at what point declining enrollment is looked at in relation to course changes. President Boyd indicated that since the decline in enrollment will be forthcoming, this will become more of an issue at a later time.

Regent Bailey asked if in approving these catalog changes, the board would be approving the philosophy expressed in them. President Boyd said this was an attempt to notify the board of the education directions of the university. President Petersen indicated that each dean has written an analysis of trends which would deal with the current discussion about changes in requirements.

MOTION:

Mrs. Belin moved that the proposed catalog changes at the University of Iowa be referred to the Interinstitutional Committee for Educational Coordination and the Board Office for review. Mr. Wenstrand seconded the motion and it passed unanimously.

EMMA A. KELTING ESTATE. The Board Office indicated that by the board releasing a quarter interest in 4.6 acres of land, it will be possible for the owners of the rest of the property to donate the total parcel to the State of Iowa as an historical site with a clear title.

THE UNIVERSITY OF IOWA

EMMA A. KELTING ESTATE

ACTION REQUESTED: That the Board of Regents request the State Executive Council to execute a patent releasing the Board's interest in a $\frac{1}{4}$ interest in approximately 4.6 acres of property located in Iowa County and described more particularly as follows:

A parcel of land situated in the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$) of Section 24, Township 79 North, Range 11 West of the 5th P.M. more particularly described as the South 825 feet of the West 681.70 feet of the said Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$) of Section 24 except the existing Pilot Grove Cemetery described as: Beginning 47 Rods South of the Northwest Corner of the Southwest Quarter of the Southwest Quarter of Section 24, Township 79 North, Range 11 West of the 5th P.M., thence East 17 Rods; thence South 4 Rods; thence East 15 Rods 11 feet; thence South 29 Rods; thence West 32 Rods 11 feet; thence North 33 Rods to the point of beginning; and the North 320 feet of the South 825 feet of the West 301.0 feet of the Southwest Quarter of the Southwest Quarter of Section 24, Township 79 North, Range 11 West of the 5th P.M.

In her Last Will and Testament, dated September 27, 1976, the last Ms. Emma A. Kelting made the following bequest:

"To my brothers and sister, or the survivor of them, I give, devise and bequeath a life estate in all the rest, residue and remainder of my property with the power to sell, exchange and convert and further providing that if the income from the said rest, residue and remainder be insufficient or inadequate that my said brothers and sister or the survivor of them shall have the unqualified right and power to invade the principal remaining in my estate. Upon the death of the last of my brothers and sister, then I give, devise and bequeath whatever is remaining in my estate to the College of Nursing of The University of Iowa for an endowed chair in memory of my parents, John Christian Kelting and Catherine Meeder Kelting, my brothers Chris Kelting, Henry R. Kelting, John F. Kelting, and my sisters Anna M. Kelting Lillian S. Kelting, such bequest to The University of Iowa to be known as the Kelting Memorial Fund."

The vested remainder granted to the University is subject to an unlimited power in the life tenants to dispose of all the property during their lives

Ms. Kelting owned a $\frac{1}{4}$ interest in 4.6 acres of land (described above) which is adjacent to the Pilot Grove Cemetery located in Iowa County. Her two brothers and sister own the other $\frac{1}{4}$ interests. It is the desire of the brothers and sister to give this parcel to the State of Iowa through the State Preserves Advisory Board for preservation of a historical site.

In order to provide the donee with marketable title, counsel for the Kelting brothers and sister believes that it is necessary for the State of Iowa, on behalf of the Board of Regents, to issue a patent releasing the Board's interest to Ms. Kelting's $\frac{1}{4}$ interest in the property. The form of the patent and the warranty deed, which in turn will transfer the property to the State of Iowa, on behalf of the State Preserves Advisory Board, will be reviewed and approved by the Attorney General's office.

Regent Bailey suggested that there might be an alternative method of handling this matter. He wondered if the land should be donated directly to the State of Iowa and if the university has legal authority to give it to the other owners, that is the brothers and sister of the deceased. Casey Mahan said it was felt that this was the simplest way to accomplish this and that Professor Davidson of the College of Law had been consulted. Since the other owners already have total power to dispose of the property, there are no legal problems.

The board was requested to adopt the following resolution:

RESOLUTION

WHEREAS The College of Nursing at The University of Iowa has a vested remainder in the property in the estate of the late Emma A. Kelting,

WHEREAS this vested remainder is subject to an unlimited power in the life tenants, Henry R. Kelting, John F. Kelting and Lillian S. Kelting, to dispose of the property during their lifetime

WHEREAS Ms. Kelting died seized of a 1/4 interest in property located in Iowa County and described more particularly as follows:

A parcel of land situated in the Southwest Quarter of the Southwest Quarter (SW 1/4 SW 1/4) of Section 24, Township 79 North, Range 11 West of the 5th P.M. more particularly described as the South 825 feet of the West 681.70 feet of the said Southwest Quarter of the Southwest Quarter (SW 1/4 SW 1/4) of Section 24 except the existing Pilot Grove Cemetery described as: Beginning 47 rods South of the Northwest Corner of the Southwest Quarter of the Southwest Quarter of Section 24, Township 79 North, Range 11 West of the 5th P.M., thence East 17 Rods; thence South 4 Rods; thence East 15 Rods 11 feet; thence South 29 rods; thence West 32 Rods 11 feet; thence North 33 Rods to the point of beginning; and the North 320 feet of the South 825 feet of the West 301.0 feet of the Southwest Quarter of the Southwest Quarter of Section 24, Township 79 North, Range 11 West of the 5th P.M.

WHEREAS the life tenants who own the other 3/4 interest in the above described property have expressed their intention to give the property to the State of Iowa for the use and benefit of the State Preserves Advisory Board and will provide money sufficient to the State of Iowa for the upkeep and maintenance of the property and

WHEREAS the Board of Regents has no necessary use for the 1/4 interest in the property,

BE IT RESOLVED BY THE BOARD OF REGENTS that the Board of Regents request the Executive Council to issue a patent to the life tenants, Henry R. Kelting, John F. Kelting and Lillian S. Kelting, to provide them with marketable title to the property so that they may, in turn, give the property to the State of Iowa for the use and benefit of the State Preserves Advisory Board.

Rec'd/Sent via Telecopier
Date 11/8/79

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MOTION:

Mr. Shaw moved approval of the above Resolution. Mrs. Jorgensen seconded the motion.

Upon a roll call, the following voted:

AYE: Bailey, Belin, Harris, Jorgensen,
Neu, Shaw, Wenstrand, Petersen.

NAY: None

ABSENT: Brownlee

The motion was passed

President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to the University of Iowa. President Boyd indicated that a letter had just been distributed to the board advising that public hearings for the next major phase of the University Hospital capital replacement program, which is South Pavilion Phase A, have been successfully completed. The health plan protocol will be on the December legislative program for bonding.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, November 16, 1979.

PUBLIC HEARING ON ACADEMIC REVENUE BOND FUNDED PROJECT. President Petersen called the meeting to order at 10:00 AM Central Standard Time on November 16, 1979, on the campus of the University of Northern Iowa, Cedar Falls, Iowa. The roll being called, the following were present: Mrs. H. Rand Petersen, president, in the chair, and the following named board members: Bailey, Belin, Harris, Jorgensen, Neu, Shaw, Wenstrand. Absent: Brownlee.

The president then stated that this was the date, time and place set for a hearing on the proposed plans and specifications and proposed form of contract for Utilities - Electrostatic Precipitator Additions - Induced Draft Fans on the campus of Iowa State University, Ames, Iowa.

President Petersen asked if there was anyone present who wished to register objections concerning either the proposed plans and specifications or the proposed form of contract on this project.

President Petersen then asked whether the executive secretary had received any written objections on this project. The executive secretary stated that he had not received any such objections. There being no objections, the president declared the public hearing closed.

REGISTER OF PERSONNEL CHANGES: The actions reported in the Register of Personnel Changes for October, 1979, were ratified by the board,

ACCREDITATION REPORT FROM ECPD. A discussion of this action can be found under the general material in these minutes.

EASEMENT REQUEST - CITY OF AMES. The Board Office noted that at its July meeting, the board approved a series of easements to the City of Ames, all involved with the extension of 13th Street in the City of Ames. One of these included granting an easement to Iowa Electric Light and Power Company on a gas main. At the September board meeting, the board took action to rescind the granting of the gas main easement to Iowa Electric Light and Power Company and, instead, approved a temporary assignment of rights by the City of Ames to Iowa Electric Light and Power Company for the relocation of a high pressure gas main within easements 79-5 and 79-11 which were street right-of-way easements. The easement request before the board at this time is for a permanent easement with assignment rights granted to Iowa Electric Light and Power Company on relocation of this high pressure gas main. The easement is in standard form and contains the standard liability clause. No cost of facilities to be constructed within the easement shall be assessed or charged to the State of Iowa. The easement must now be approved by the State Executive Council. Approval of this permanent easement obviates and cancels the temporary assignment

given by the board at the September meeting. However, it is necessary to grant the temporary assignment to the City of Ames so that the project can proceed on schedule because the temporary assignment remains in effect until the Executive Council takes final action on the permanent easement.

MOTION:

Mr. Bailey moved the board approve the granting of an easement to the City of Ames for constructing and operating a gas main and granting to the City of Ames the right to assign this easement to the Iowa Electric Light and Power Company. Upon a roll call vote, the following voted:

AYE: Bailey, Belin, Harris, Jorgensen,
Neu, Shaw, Wenstrand, Petersen.

NAY: None

ABSENT: Brownlee.

The motion was passed.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for the period of October 20 through November 16, 1979, had been received, was in order and was recommended for approval.

The following construction contracts awarded by the executive secretary were recommended for ratification:

Quadrangle Remodeling - Phase I

Award to: Webster Construction Co., Fort Dodge, Iowa

\$3,940,000.00

The legislature appropriated \$4,400,000 to undertake this project to completely renovate the 109,923 gross square feet in three buildings formerly used by the Veterinary Medicine College and now to be used by the College of Education and the Department of Psychology. Everything intended for the remodeling project is included in the above contract award, with two exceptions. The exceptions are partial utility extension and extension of the energy control system to the facility. The university also submitted a revised project budget which showed the total project cost as being \$5,455,000, of which \$930,000 is requested of the 1980 Session for movable equipment and for utility extension. The energy control system item is part of the budget and will be either made part of the contract with Webster Construction Co. or be carried out in some other manner. In any case, the building will be covered in the central control automation program.

The project is known as Phase I because there remains the old veterinary clinic area across the street from the quadrangle which contains an additional 60,925 gross square feet to be remodeled. That space would then house industrial education and environmental safety programs. It is anticipated that the university will request funds for that remodeling project as part of its 1981-83 capital request.

Special Contract Award - Curtiss Hall - Roof Replacement

Award to: Nieman Roofing Co., Inc., New Prague, Minnesota \$96,800.00

On July 17, 1979, the board rejected a single bid of \$116,399 submitted by Fort Dodge Roofing Co. on this project and directed the institution to negotiate a contract, subject to approval of the executive secretary. The negotiations were unsuccessful. Three other roofing companies were contacted, and one of those companies submitted a proposal under the standard bid form in an amount less than the original bid or the bid as negotiated with Fort Dodge Roofing Co. The bid submitted was for the work as originally specified, while the negotiated price from Fort Dodge Roofing was for work based on revisions to bid specifications.

The following construction contract was recommended for approval.

Utilities - Electrostatic Precipitator Additions - Induced Draft Fans

Award Recommended to: Baker Mechanical Inc., Des Moines, Iowa
Base Bid of: \$494,000.00
(4 bids received)

This award could not be made by the executive secretary because the public hearing on the project was held at the November board meeting and the project budget has to be revised in order to award the contract.

This is a sub-project on the overall Electrostatic Precipitator Additions project. The last budget approved as May 1979, at which time the board approved an addition to the budget of \$377,000, making the total budget \$3,080,000. This addition was made on the basis of an estimate by Brown Engineering that the induced draft fans would, in total, cost \$388,755.

The board was requested to approve a revised project budget of \$3,280,000, which is based upon the fact that the purchase of the draft fans was \$105,384, while the installation was \$494,000. Therefore, the draft fans cost almost \$600,000. There is virtually no alternative to carrying out this project, as it is an important part of the emission reduction program agreed to for the power plant with the Iowa Department of Environmental Quality and the federal Environmental Protection Agency. Source of funds for the addition is anticipated balances in the Chilled Water System Addition project, which was funded by sale of Academic Revenue Bonds in 1977.

The following new projects were presented to the board for approval.

Utilities - Improvements - 1979

Source of Funds: 1979 Capital Appropriations

The University has combined under the above title the eight projects identified as General Utility Projects in the 1979-81 biennium of the University's Ten-Year Capital Program. The original request for the eight projects totalled \$1,393,000 of which \$1,356,800 was appropriated by the 68th G. A. The projects and their adjusted estimates are:

South Campus-Condensate Return System Improvements	\$ 112,000
Campus-Steam Main Improvements	234,000
Steam Tunnel Lighting Improvements	57,000
Heating Plant-Replace Station Power-Phase I	224,000
Primary Electrical Distribution System Improvements	84,000
Campus-Electrical Vault Improvements	200,000
Building Electrical Improvements	355,000
Campus Lighting	<u>90,000</u>
Total	\$ 1,356,000

It is the University's intention to proceed with these projects immediately using a combination of consultants and in-house staff to provide design services as well as a combination of contractors and plant forces to carry out the construction in as timely and cost-effective a way as possible. It should be noted that the above estimates are based on very preliminary project descriptions, and adjustments between projects may be necessary as detailed plans and estimates are completed.

Mechanical Engineering and Engineering Science and Mechanics Building

The university requests permission to negotiate an agreement with Cost Planning and Management International, Inc. of Des Moines, Iowa, to act as consultants for programming and preliminary planning on this building.

The preliminary plans on the structure, as contained in the Ten-Year Building Program, call for a new structure of 94,450 gross square feet, which has an overall cost of \$12,055,000. Total cost would be \$127.63 per gross square feet, as initially programmed. Source of funds for the preliminary design agreement is the ISU Achievement Fund. That contract will come back to the board for approval.

The board was requested to ratify the following consultant contract:

Heating Plant - Operations, Safety and Staffing Study

The board is requested to ratify selection of Stanley Consultants, Inc. of Muscatine, Iowa, to conduct an investigation into the management policies and procedures, staffing, safety and reliability of the Iowa State University heating plant. The agreement states that the services required include interviews with plant management and supervisory personnel, review of existing management policies and procedures, review of plant staffing, and inspection and investigation to help identify equipment, materials, system and/or procedures which could hinder the safe and reliable operation of the plant facilities. This service includes preparation of recommendations regarding improvements in policies and procedures and safety and reliability areas. This report shall include a recommended staffing plan.

The engineer shall be compensated for its services on the basis of a lump sum fee in the amount of \$16,800. This fee includes up to 13-person days of on-site inspection and investigation, travel time and expenses, report preparation and review, and all incidental expenses related to this agreement.

This contract is in response to a directive from the board on July 18, 1979, that the university retain the services of an outside consultant to investigate the circumstances surrounding the turbine fire and other factors in operations or maintenance which might be corrected to avoid future casualty losses. It is urged that the university docket the report from the Stanley Consultants along with its recommendations when that report is completed.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the period of October 20 through November 16, 1979, ratify award of construction contracts made by the board's executive secretary; approve the construction contract for Utilities - Electrostatic Precipitator Additions - Induced Draft Fans, as shown above; approve the revised and updated project budgets as shown above; approve the new projects and actions contained therein; and ratify the consultant contract shown above. The motion was seconded by Mr. Shaw and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa State University. There were none.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Friday, November 16, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel changes for the month of October, 1979, were ratified by the board.

APPOINTMENT. The board was requested to approve the following appointment:

Mr. L. Dale Hilliard, Director, Administrative Data Processing, effective December 1, 1979, or earlier, at a salary of \$32,000.

MOTION: Mrs. Belin moved the board approve the appointment listed above. Mrs. Jorgensen seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for the period October 6 through November 6, 1979, had been received, was in order, and was recommended for approval.

The following construction contract awarded by the executive secretary was recommended for ratification:

Steam Distribution System - Underground Steam Loop #1 Vault Drainage System

Award to: Mechanical Contractors Inc./Oscar D. Hansen & Son, Inc.,
Cedar Falls, Iowa
Alt. #1 \$30,015.00

A form B was utilized because the low bidder on both base bid and alternate #1 modified the form of bid to void the specified completion date of December 31, 1979. The next bid was some \$5,000 higher. This irregularity was waived, as the university intends to work with the contractor to get as much of this work done this fall as possible to avoid incurrence of maintenance costs in the winter due to the severe ground water problems associated with the loop which is to be corrected by this sub-project. The university indicates that about \$3,000 in maintenance costs could be incurred if some of this work is not completed before winter. The only other alternative open to the university would be to incur those maintenance costs and rebid the project for spring construction.

The board was requested to ratify the following consultant contract:

Steam Distribution Improvements - Steam Vault Improvements

Ratify selection of Brown Engineering Company, Des Moines, Iowa, to provide full engineering services on this project on an hourly rate basis at a maximum

UNIVERSITY OF NORTHERN IOWA
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cost of \$225 for reimbursable expenses and \$5,125 for basic services. Total budget for the project is \$67,350. Thus, engineering costs are 7.9% of project budget.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the period October 6 through November 6, 1979; ratify award of construction contract made by the board's executive secretary; ratify the consultant contract as shown above; and authorize the executive secretary to sign all necessary documents.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the University of Northern Iowa. There were none.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Friday, November 16, 1979.

REGISTER OF PERSONNEL CHANGES FOR THE MONTH OF OCTOBER. The actions reported in the Register of Personnel Changes for October, 1979, were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office indicated the the final register had been received, was in order, and was recommended for approval.

The register contained two contract change orders on the Fire Safety Deficiencies - Phase II project. One change order was the result of the installation of a new generator and the need to even the load to buildings served by that generator. That contract change order added \$9,929.96 to the project cost. The other change order for \$938.50 was for routine type of changes occurring as the project progresses in construction.

These two change orders will cause the project budget to be exceeded slightly and the exact amount of expenditure will be detailed when this project is finally reported. Sources of funds for any overage will be either sales tax refunds or building repairs funds for the current year.

MOTION:

Mr. Bailey moved that the board approve the Register of Capital Improvement Business Transactions for October, 1979, and approve the change orders on the Fire Safety Deficiencies - Phase II project. Mr. Wenstrand seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa School for the Deaf. There were none.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Friday, November 16, 1979.

REGISTER OF PERSONNEL CHANGES: The actions reported in the Register of Personnel Changes for October, 1979, were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register had been received, was in order, and was recommended for approval.

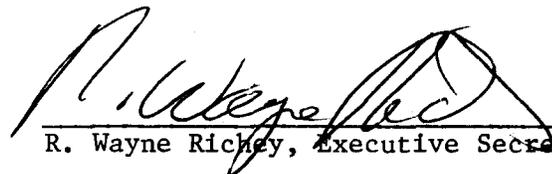
The register contained a single entry involving ratification of a contract with an outside consultant. A purchase order contract was entered into with Shive-Hattery and Associates, Iowa City, Iowa, at standard hourly rates with a maximum fee of \$700, for the purpose of surveying the emergency nature of the demolition of the smoke stack and ash house at the power plant. Shive-Hattery has issued its report as detailed in the general portion of these minutes.

MOTION:

Mr. Wenstrand moved that the board approve approve the Register of Capital Improvement Transactions for October, 1979, and ratify the consultant contract as shown above. Mr. Bailey seconded the motion and it was passed unanimously.

Mrs. Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa Braille and Sight Saving School. There were none.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 1:30 p.m., Friday, November 16, 1979.


R. Wayne Richey, Executive Secretary