

The Regents of the University of California

COMMITTEE ON GROUNDS AND BUILDINGS

July 13, 2010

The Committee on Grounds and Buildings met on the above date at UCSF–Mission Bay Community Center, San Francisco.

Members present: Regents Hime, Johnson, Makarechian, Ruiz, Schilling, and Zettel;
Ex officio member Yudof; Advisory member Powell

In attendance: Regents Cheng and Lansing, Faculty Representative Simmons, Associate Secretary Shaw, General Counsel Robinson, Executive Vice President Brostrom, Vice President Lenz, Chancellors Fox, Kang, and Yang, and Recording Secretary Johns

The meeting convened at 3:15 p.m. with Committee Chair Schilling presiding.

1. PUBLIC COMMENT

Committee Chair Schilling explained that the public comment period permitted members of the public an opportunity to address University-related matters. The following persons addressed the Committee.

- A. Ms. Pamela Sihvola, a representative of the Berkeley-based Committee to Minimize Toxic Waste, urged the University not to certify the Environmental Impact Report for the seismic project at Lawrence Berkeley National Laboratory (LBNL). She expressed concern about site stabilization, landslide mitigation, and the threat of contamination. She stated that in 1998, the U.S. Environmental Protection Agency designated LBNL to be eligible for inclusion on a national priorities list for the federal government's Superfund program to clean up hazardous waste sites. Ms. Sihvola warned that the site is unstable and presents elevated life safety risks.
- B. Ms. Barbara Robben discussed geological aspects of the LBNL project site and the danger of permitting construction on unstable ground. She recalled severe flooding which took place in Strawberry Creek in the 1950s and expressed concern about the possible effects of seismic activity along the Hayward Fault on LBNL infrastructure, especially the displacement of sewers and the disruption of storm water drainage. She suggested that UC Berkeley could find other uses for the Strawberry Canyon site.
- C. Ms. Maureen Daggett expressed concern about possible hazardous waste contamination at the LBNL project site. She emphasized that there is not bedrock under the site. She stated that there is a high incidence of cancer among residents in the Panoramic Hill area. She suggested that the University should carry out

hazardous waste clean-up on the site before construction occurs, perhaps along the lines of clean-up work at the Lawrence Livermore National Laboratory.

- D. Ms. Georgia Wright expressed concern about the safety of the LBNL project site. She stated that the ground below Buildings 85 and 85A consists of layers of volcanic soil, siltstone, claystone, and sand pebble formation. The level of the water table in the area varies by as much as 35 feet in elevation. She warned that landslide mitigation features proposed for Building 85 are inadequate and that the building contains radioactive waste and other toxic solvents.

2. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of May 19, 2010 were approved.

3. CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT, ADOPTION OF FINDINGS, AND APPROVAL OF DESIGN, UCSD MEDICAL CENTER EAST CAMPUS BED TOWER, SAN DIEGO CAMPUS

The President recommended that, upon review and consideration of the environmental consequences of the proposed project, the Committee:

- A. Certify the Environmental Impact Report, which includes an update to the analysis in the 2004 Long Range Development Plan (LRDP) Environmental Impact Report.
- B. Adopt the Mitigation Monitoring and Reporting Program for the project.
- C. Adopt the revised Findings and Overriding Considerations.
- D. Approve the design of the East Campus Bed Tower Project, including the Bed Tower, Thornton Hospital Renovation, and Central Plant.
- E. Adopt modifications to the Mitigation Monitoring Program for the 2004 LRDP, San Diego campus.

[Background material was mailed to the Committee in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Schilling introduced the item. She observed that the members of the Committee had been provided with the Environmental Impact Report (EIR), supplemental information, and revised findings analyzing the environmental impacts of the project. These documents were prepared pursuant to the California Environmental Quality Act (CEQA). Committee members received copies of all public comments received and responses prepared by the University. The members of the Committee had reviewed and considered the information contained in the environmental documents, the

supplemental information regarding the East Campus Bed Tower project, and all comments received in writing or presented to the Committee that day; they had balanced the specific benefits of the proposed action against its unavoidable adverse environmental effects.

Vice President Lenz recalled that the Regents approved a budget of \$663.8 million for this project at the March meeting and outlined the elements of the current action item. Chancellor Fox added that the San Diego campus presented a preliminary review of the project design at the May meeting and informed the Committee of a major naming gift for the project, which will be known as the Jacobs Medical Center.

UC San Diego Health System Chief Executive Officer Thomas Jackiewicz stated that construction on the project is scheduled to begin in February 2012. The strategic rationale for the project is the lack of capacity at the La Jolla hospital facility and the community's need for additional hospital beds. He emphasized the campus' commitment to the Hillcrest Medical Center; there are no plans to relocate or to close this facility. He presented slides displaying different views of the East Campus Bed Tower.

UCSD Director of Physical Planning Brad Werdick observed that the EIR for the project was prepared in compliance with CEQA, with three key milestones. The process began with issuance of the Notice of Preparation. During a 30-day period, the public had the opportunity to learn about the project and to provide input on which topics should be analyzed in the EIR document. To facilitate public input, the campus held a public scoping meeting on August 18, 2009; no members of the public attended. The following key milestone in the process was the distribution of the draft EIR as well as the 45-day public review period, during which the public had the opportunity to review this document and to provide comments to the campus. The final milestone was the final EIR. The campus sent out its responses to public comments on July 1, 2010. These are included in the final EIR document. The process culminates with EIR certification.

The 45-day public review period for the draft EIR was widely advertised, including notification sent to over 80 recipients. Paper copies of the document were made available at six different locations in San Diego, and the document was available on a campus website. In addition, a public hearing was held on May 20, with no members of the public attending. The public review elicited comments from six agencies and four organizations.

Eight environmental issues were analyzed in the draft EIR. Project-level impacts as well as cumulative effects of each issue were addressed. As required by CEQA, alternatives to the proposed project were also included. Comments received from the public on the draft EIR focused on three areas of concern: biology, traffic, and water supply. Three members of the public raised concerns about the long-term management of biological mitigation efforts on campus. UCSD has since provided biological tracking database information to resource agencies to satisfy their concerns regarding the campus' approach to managing its preservation areas. In addition, UCSD has already begun implementation of the biological mitigation for this project. An independent biologist has been retained to prepare a detailed plan for management of the campus ecological reserve and restoration

lands, including portions of the ecological reserve which will serve as mitigation for the East Campus Bed Tower project.

Three members of the public expressed concern about the adequacy and timing of near-term traffic mitigation efforts. They also questioned the long-term cumulative mitigation strategy presented in the EIR. UCSD made revisions in the final EIR to clarify and enhance mitigation. The campus is also involved in ongoing discussions with the City of San Diego and the surrounding community regarding traffic mitigation issues.

The final area of public concern was the reliability of the water supply and assumptions made in the campus' 2004 Long Range Development Plan (LRDP) EIR. The City of San Diego's Urban Water Management Plan was adopted in 2005. In 2007, the San Diego County Water Authority updated its 2005 program to address water supply reliability. The 2007 update determined that no shortages would occur within the County Water Authority's service area. UCSD growth, pursuant to the 2004 LRDP, including the East Campus Bed Tower project, falls within this service area. Therefore, a project-specific water supply assessment is not required, and the 2004 LRDP water supply assessment conclusions are still valid.

Mr. Werdick concluded that the EIR prepared for the project is adequate. The proposed mitigation measures reduce all project and cumulative impacts to the greatest extent possible. The final EIR fully considers and addresses comments received and provides an analysis of reasonable project alternatives. He referred to supplemental information distributed to the Committee that day, which included comment letters received after the 45-day public review period, the campus' response to those comments, and revised findings.

Senior Counsel Gunther discussed the information contained in the revised findings. New material in the revised findings makes it clear that the announcement of the newly proposed Scripps Health project on May 14 occurred after the cutoff date for inclusion in the EIR. For this reason, the Scripps project was not included in the EIR. Nevertheless, the University has analyzed this project carefully, and this new information does not require UC to re-circulate its EIR. The new material also emphasizes that UCSD has relied and continues to rely on the City of San Diego's Facilities Benefit Assessment program for the construction of identified traffic improvements and that UCSD's newly offered proportionate share traffic mitigation funds are over and above any funds previously established by the City. UCSD and the City together will pay for all the improvements necessary. Finally, the new material provides further information on UCSD's detailed commitment to implementation of mitigation measures to preserve and enhance the land that has been set aside as an ecological reserve on the campus.

Regent Makarechian asked if traffic mitigation funding was included in the project budget, or if it represented an additional expense. Mr. Jackiewicz responded that this funding is over and above the project budget. The campus is in negotiations with the City on this issue.

Regent Makarechian asked how many acres the campus would set aside for a gnatcatcher bird habitat and where this would be located. Ms. Gunther responded that this issue concerns a type of habitat unoccupied by the gnatcatcher but useable by this bird and other species. She estimated that the area in question is less than three acres, a small area inside the campus' ecological reserve. It would be located in the UCSD Park, which includes open space and an ecological reserve. Specific habitat areas will be preserved and enhanced.

Committee Chair Schilling asked about traffic mitigation funding. She asked if the campus would require that its negotiated contribution be contingent upon the completion of traffic improvement projects. Mr. Jackiewicz responded in the affirmative. Committee Chair Schilling further asked how the campus usually makes a commitment in this area, through payment of monies or through a pledge. Mr. Jackiewicz responded that the campus seeks to pay monies to the City once the traffic improvement project has begun. Mr. Werdick added that the EIR provides that funding would be allocated to the City either at receipt of a construction bid for the traffic improvement project or at the opening of the East Campus Bed Tower, whichever occurs first.

Committee Chair Schilling asked what would happen if the City were unable to provide its share of the mitigation funding for a traffic improvement project. She asked if the University would lose its share of the funding in this case. Ms. Gunther responded that there are two types of impacts from the East Campus Bed Tower project. One is the direct impact of the East Campus Bed Tower; this concerns a freeway near the campus. In this case, the University believes that the mitigation work will proceed before the East Campus Bed Tower opens. UCSD has made a commitment to provide funding for the direct impact mitigation at the time the construction bid for the traffic improvement project is awarded or when the East Campus Bed Tower facility opens. This mitigation work is for the most part planned and funded, and it will proceed. The second type of impact is the cumulative impact of campus growth, which includes the Bed Tower. The campus monitors its contribution to traffic and can attempt to reduce its impact. If the campus cannot adequately reduce its traffic impact, the campus will provide a proportionate share of funding when the construction bid is awarded for mitigation. The campus tries to address the impact as it occurs, while still meeting CEQA obligations. Another way the University can discharge its obligation regarding cumulative impact is by paying into a program and allowing the local jurisdiction to make improvements when it deems this appropriate.

Regent Zettel observed that there are a number of local planning efforts to improve freeways along the Interstate 5 corridor in the San Diego area, from La Jolla Village Drive north, by adding lanes and improving bus transportation. A new trolley route to UCSD is also planned; it is now in the approval process and should be completed by 2016. Mr. Werdick stated that the project to widen the freeway covers about 26 miles. It also proposes direct access ramps to encourage high-occupancy vehicles to use the freeway. All these transportation projects were included in UCSD's long-term analysis of campus traffic. Mr. Werdick expressed the campus' wish to encourage these projects, which improve campus access.

Chancellor Fox noted that there has been a decrease in student public transportation ridership over the past five years, with more students driving cars. She observed that there is a spirit of cooperation between the campus and the City to address this and to address patient care needs.

Upon motion duly made and seconded, the Committee approved the President's recommendation.

4. **APPROVAL OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM, APPROVAL OF EXTERNAL FINANCING, ADOPTION OF MITIGATED NEGATIVE DECLARATION, AND APPROVAL OF DESIGN, BIOENGINEERING BUILDING, SANTA BARBARA CAMPUS**

A. The President recommended that the Committee recommend to the Regents that:

- (1) The 2009-10 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Santa Barbara: Bioengineering Building – preliminary plans – \$1,600,000 to be funded from campus funds.

To: Santa Barbara: Bioengineering Building – preliminary plans, working drawings, construction, and equipment – \$72,884,000, to be funded from State funds (\$25,000,000), external financing (\$43,374,000), and campus funds (\$4,510,000).

- (2) The scope of the proposed Bioengineering Building project shall include approximately 46,200 assignable square feet, which is anticipated to accommodate a basement vivarium and three floors of research laboratories, laboratory support, and core facilities, including an auditorium, conference, office and administrative support spaces.
- (3) The President be authorized to obtain external financing not to exceed \$43,374,000 to finance the Bioengineering Building project. The Santa Barbara campus shall satisfy the following requirements:
 - a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.
 - b. Repayment of debt shall be from the General Revenues of the Santa Barbara campus and as long as the debt is outstanding, the General Revenues of the Santa Barbara campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

- c. The general credit of the Regents shall not be pledged.
- (4) The President be authorized to execute all documents necessary in connection with the above.
- B. The President recommended that, upon review and consideration of the environmental consequences of the proposed project, the Committee:
 - (1) Adopt the Mitigated Negative Declaration.
 - (2) Amend the 1990 Long Range Development Plan to transfer 7,691 assignable square feet from Potential Building Site 7 to Potential Building Site 16.
 - (3) Approve the design of the Bioengineering Building, Santa Barbara campus.

[Background material was mailed to the Committee in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Vice President Lenz stated that the Regents were being asked to approve a project budget of \$72.9 million, which includes external financing of \$43.4 million, an assumption of State financing of \$25 million in the 2011-12 State budget, and campus Garamendi funding of \$4.5 million. The Committee was being asked to adopt the Mitigated Negative Declaration, amend the campus Long Range Development plan, and approve the project design.

Chancellor Yang explained that the Santa Barbara campus proposes this new building to house three major units – the Institute for Collaborative Biotechnologies, the Center for Stem Cell Biology and Engineering, and the Center for Biological Engineering and Science. These three units are successful and growing rapidly. The Institute for Collaborative Biotechnologies has received funding totaling \$100 million. The Institute is led by UCSB, with the Massachusetts Institute of Technology and the California Institute of Technology as secondary partners. Chancellor Yang observed that the proposed Bioengineering Building responds to campus needs for the science and engineering fields, which are a major area of growth. The building and its facilities will also help in the recruitment and retention of outstanding faculty members and graduate students.

UCSB Director of Capital Development Martie Levy informed the Committee that the proposed Bioengineering Building includes approximately 46,000 assignable square feet. Following the Regents’ approval of preliminary plans, the campus reexamined the program for the building and explored alternative solutions regarding the vivarium. One solution would be to expand the existing vivarium building, but the campus decided on another solution, to locate the vivarium in the basement of the Bioengineering Building, which complements the building program and allows for future expansion. This is a

major change from the campus' preliminary plans. The total project funding is \$72.8 million. The primary source of funding is the Garamendi mechanism, which allows the campus to capture 100 percent of indirect costs associated with net new federal grants. The Garamendi mechanism will generate \$4.5 million in equity. The campus proposes \$43.4 million in external financing. The campus has been working with staff at the Office of the President to seek \$25 million in State funding in the coming year.

Senior Associate Vice Chancellor and Campus Architect Marc Fisher displayed slides showing the project location next to Davidson Library in an underdeveloped portion of the campus. The campus is removing low-density buildings and creating new academic space to structure the environment. The Bioengineering Building is one part of a plan to make campus navigation easier; it will also bring more population and activity to this part of the campus. Mr. Fisher discussed the site and landscape plan. The building will include native plants, bioswales, rain gardens, and permeable pavers, applying innovative techniques in storm water and rain management. He reviewed the floor plans, calling attention to a new emphasis on communal work spaces. Social spaces are important for this academic group. The vivarium in the basement will allow further research expansion.

The building design has also been influenced by the wider context of UCSB's approach to building projects and planning guidelines in the last several years. This approach includes a materials palette with plaster, metal detailing, Santa Barbara sandstone, and board-form concrete, as well as green detailing, sunshade devices, and building elevations with distinct aspects. Mr. Fisher discussed slides which showed views of the north, south, west, and east exterior elevations of the building, and slides of the building interior.

Sustainability features of the building include shade devices and light shelves to bounce light into the building. The atrium is part of a heat chimney. The offices are ventilated naturally. The building includes air conditioning and heating with the most efficient technology possible. UCSB is exploring the possibility of a hot water loop for the east portion of the campus and other measures to make this building as environmentally sustainable as possible. While the project documents provided to the Committee indicated that the goal for the building is Leadership in Energy and Environmental Design (LEED) Silver certification, Mr. Fisher expressed the ambition that the building might achieve Gold certification.

As part of the California Environmental Quality Act (CEQA) process, project documents were circulated for 30 days. The campus received one comment letter from the Santa Barbara County Air Pollution Control District and the campus made modifications based on the comments in this letter.

Regent Makarechian asked about the efficiency of the building in terms of its use of space relative to cost. The cost per square foot is higher than that for the San Diego hospital building discussed earlier. Mr. Fisher responded that the vivarium is a relatively inefficient space due to its circulation pattern. The corridor is not considered assignable square footage, even though it is essential to cleaning of the cages. In addition, the social

spaces provided in the building are not considered assignable square footage, but the campus sees these spaces as valuable and important for collegiality and interdisciplinary research. Ms. Levy added that the mechanical space needs of the vivarium are significant. The vivarium requires mechanical backup to prevent failure; therefore, there is a dual mechanical system serving the building. The campus has developed a detailed project program and efficiency has been a major concern. The campus is still challenging the project architect to improve efficiency. Mr. Fisher observed that mechanical spaces are not considered assignable. However, the campus has experienced degradation of mechanical systems located on rooftops due to coastal air, and is seeking to enclose mechanical spaces. Ms. Levy noted that the vivarium adds significantly to the cost per square foot. The cost for the vivarium itself is over \$1,000 per square foot. UCSB sought comparable cost data from other campuses which have installed vivariums; it also hired a peer review cost estimator. The cost reflects project needs.

In response to a question by Regent Makarechian, Mr. Fisher responded that the cost estimate was made in March 2010; this was not a construction bid. It is based on the estimator's best notion of what the cost should be. This estimate was peer reviewed, and the two estimates were reconciled. UCSB has a rigorous value engineering process. The campus works with designers and cost estimators to ensure that it is receiving the best value.

Regent Makarechian expressed concern about the high cost per square foot for this project. He referred to the project budget chart in Attachment 2 of the background item and calculated that about 20 percent of the budget was allocated for consultants and architectural and engineering services. He included in this amount the cost for additional special consultants listed in footnote (d) under "Special Items." Mr. Fisher responded that architectural and engineering services represented 6.3 percent of the budget, while campus administration represented 3.1 percent. Regent Makarechian asked that the details be provided to him later.

Regent Makarechian asked about the \$4.5 million in campus funds for the project. Ms. Levy responded that once the campus has established the base funding, it is able to collect 100 percent of indirect costs for all net new federal grants associated with this project through the Garamendi funding mechanism. Even though the building is not yet built, UCSB faculty are submitting grant applications which are associated with the facility. This provides indirect pre-occupancy funds. The campus sets these funds aside and estimates that they will total approximately \$4.5 million.

Regent Hime asked about the cost of the third-party certification for LEED. Mr. Fisher responded that it would cost approximately \$100,000.

Regent Hime expressed concern about the costs of LEED certification and suggested that self-certification would save money for the University. He referred to the use of native plants on the project and asked about the eucalyptus trees appearing on one of the presentation slides. Mr. Fisher responded that these trees are part of a windrow. The campus will be replacing about 15 windrow trees with a lighter eucalyptus variety.

Although eucalyptus trees are not California natives, the campus feels that they are an important element of its image.

President Yudof requested a definition of the term “bioswale” and an explanation of its purpose. Mr. Fisher responded that a bioswale is a means of cleaning storm water from a roof, running it through a biofiltration system, cleansing the water of pollutants, and returning it to the ground. At the Santa Barbara campus, storm water ultimately flows down to the Lagoon and into the Pacific Ocean. Ms. Levy added that bioswale implementation is an important issue for the California Coastal Commission. Mr. Fisher noted that bioswale implementation is challenging in an urbanized campus environment.

Regent Cheng praised the design of social spaces in the building and asked about the likelihood of the campus receiving the entire \$25 million in State funding for the project, and about alternative plans in case the entire funding amount is not received. Mr. Lenz expressed optimism about the campus receiving this funding in the 2011-12 State budget. He recalled that the Governor’s budget proposal in January included no funding for UC capital projects; about \$355 million has now been approved for UC projects. In addition, there may be a General Obligation bond on the ballot in the November State general election.

Regent Cheng asked about alternative plans if the funding is not received. He asked if the campus would seek a greater amount of external funding or if it would consider reducing the scope of the project. Ms. Levy responded that the campus would consider deferring the project until General Obligation bond funding is available. If this funding is not available in 2012, the campus would consider shelling as an option for the large mechanical space in the basement; this would allow the building to be completed later. The campus is working closely with the Office of the President to present a project package that will be of interest to the State.

Regent Zettel requested clarification of the \$25 million in State funding for this project and its relationship to funding in the State budget for UC program needs, other than capital projects. Mr. Lenz responded that restoration of a one-time reduction of \$305 million was included in the Governor’s January budget proposal. However, this January proposal did not include any funding for capital facilities projects. At the time of the May Revision, the Assembly approved about \$355 million for the University’s highest-priority capital needs, consisting of \$10 million in previously approved General Obligation bonds and \$345 million in lease revenue bonds. The University’s approach to the next year’s budget remains flexible. To the extent that the Legislature has an interest in placing a General Obligation bond before the voters in the November 2010 State general election, the University would recommend that this \$25 million be funded from this General Obligation bond. If this possibility fails to materialize, the University would pursue lease revenue bonds to support the project.

Regent Ruiz expressed concern about a possible reduction in scope of the project. Ms. Levy explained that the mechanical systems in the basement allow a cost-effective

option of shelling the remaining space needed for the vivarium, if the timing of State funding does not coincide with campus needs.

Regent Ruiz observed that a delay might be preferable if it ensured that the project could be built as envisioned. Ms. Levy responded that the campus is considering this option. She anticipated that a delay would likely not last more than six months. The campus is also engaged in fundraising related to this project.

Faculty Representative Powell expressed concern about the project funding at a time when budgetary constraints are becoming more significant. He communicated the concern of the Academic Council regarding new buildings, new faculty, and new programs during this difficult time. He requested a response to this concern.

Faculty Representative Simmons cited two statements: in Attachment 1 of the background item, an estimate that bioengineering research faculty at the Santa Barbara campus would grow by 25 percent in the coming ten years; and in Attachment 4, a statement that indirect cost recovery generated by the facility's net new research funding would be used to fund the debt service. He requested assurance from Mr. Lenz that State funding would be available to support the projected 25 percent growth in faculty and that federal research funds would be available to meet the debt service from indirect costs. Mr. Lenz responded that several years previously, the University experienced a change in its marginal cost funding, the funding received per student. As part of that change, the State recognized UC's costs for its facilities and included operations and maintenance costs as a component of that marginal cost funding. At this point, UC is receiving support for enrollment growth funding from the Governor and both houses of the Legislature. However, if this funding is not received, the campuses will be challenged to secure their own resources for operations and maintenance of plant. Ms. Levy added that operations and maintenance of plant costs are fully covered in the Garamendi funding mechanism.

Chancellor Yang observed that externally funded research at UCSB grew by 20 percent the previous year and he anticipated future growth and funding in biomedical research. He expressed his confidence that the campus would receive federal funding for research units to be housed in the building, and noted that the project has the support of the UC Santa Barbara division of the Academic Senate.

Mr. Simmons asked if the growth in externally funded research was separate from federal stimulus funding. Chancellor Yang responded that this growth was related to the federal stimulus funding.

Dr. Powell asked Chancellor Yang if he anticipated any difficulties for the core instructional mission of the campus due to this project. Chancellor Yang responded that the project contributes to mainstream degree programs at UCSB; the campus may eventually develop a biomedical engineering department.

Mr. Simmons expressed concern about continuing construction and growth when the current budgetary environment suggests that the University may in fact be forced to

reduce programs, services, and size in the coming five years. The University may have to restrain some growth in order to maintain its overall quality.

Regent Makarechian asked Mr. Simmons what his suggestion for action would be. He asked if the University should stop moving forward. Dr. Powell responded that the anticipated future development of the State of California should be beneficial to the University – population growth with concomitant needs for higher education degrees and an adequately educated workforce. The long-term strategic goal of the University should be driven by these demographic considerations. At this moment, however, the University is in a situation of severe fiscal constraint. Tactical adjustment to a situation of continued decline in State funding, including a very sharp reduction in the past year, should compel the University to examine every building project carefully. The Garamendi funding mechanism has been a creative means of using indirect costs to support construction, but those funds are subsequently not available for other needs. The University must consider tactical adjustment to the current situation, while looking forward to future growth in public higher education.

Committee Chair Schilling agreed that the points raised by Dr. Powell were important, but stated that they should be discussed in a wider context, not in the context of a single building project. She stated that the UC Commission on the Future would address these questions.

Chancellor Yang emphasized that the Santa Barbara campus has been making cuts. Over the previous two years, it has reduced staff numbers by more than 500 employees; it has 39 fewer faculty members. While the campus makes these reductions, it must refocus its future goals and find a niche in the UC system so that it can develop its strengths and complement the other campuses. In the campus' vision, the programs to be housed in the proposed Bioengineering Building represent an area of strength for UCSB, as evidenced by funding received from industry and government. Chancellor Yang reiterated that UCSB is not ignoring budget constraints; its funding has been reduced by 30 percent over the past seven years.

Regent Zettel noted that biomedical research at UCSB is responsible for the founding of four to eight start-up companies annually. The California economy needs more start-up companies.

Regent Makarechian asked about potential cost savings through elimination or delay of the mechanical systems if State funding did not materialize. Ms. Levy responded that shelling would provide temporary savings, but these funds would have to be generated later to complete the vivarium. The new vivarium is an essential need for the campus; the campus' existing vivarium is inadequate and outdated.

Regent Ruiz referred to Dr. Powell's earlier comments on possible reduction of the University. He stated his view that this is not an option for UC. The current situation demonstrates the importance of achieving the lowest reasonable costs for building projects. The University cannot afford to be wasteful.

Mr. Lenz emphasized that the University has examined all possible options on this project and is seeking efficiency with the limited resources available. The administration is continuing its discussions with the Academic Senate on University priorities. He stated his view that the University will not stop building capital projects, especially not in the case of opportunities like this one, or in the case of seismic needs, or in the case of building out the Merced campus.

Regent Hime referred to the potential savings through shelling. The total State funding was \$25 million, or almost a third of the entire project. He stated his view that if State funding were not received, the project could not go forward. Ms. Levy responded that if State funding were not received, the campus would need to shell the basement and not build the vivarium. The campus believes that it would have sufficient funds to build the rest of the building, which is supported through the Garamendi funding mechanism. The most important challenge in such a situation would be the decision on whether to reduce the capacity of the mechanical systems or to build them out to support the future vivarium. The campus would then seek additional Garamendi funds.

In response to a question by Committee Chair Schilling, Ms. Levy clarified that shelling the basement would cost an additional \$5 million. This would not produce savings. Savings would come from not building the vivarium.

Committee Chair Schilling stated that each member of the Committee had been provided with the environmental documents prepared pursuant to the California Environmental Quality Act to analyze the impacts of proposed actions and with copies of all public comments received and responses prepared by the University. The members of the Committee had reviewed and considered the information contained in the environmental documents, including all comments received in writing or presented to the Committee that day.

Mr. Lenz added that approval of this item included approval of the \$72.8 million budget.

Upon motion duly made and seconded, the Committee approved the President's recommendation (A) and voted to present it to the Board, and approved the President's recommendation (B).

5. CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT AND APPROVAL OF DESIGN OF THE SEISMIC LIFE SAFETY MODERNIZATION, AND REPLACEMENT OF GENERAL PURPOSE LABORATORY BUILDING, PHASE 2 (SEISMIC PHASE 2) PROJECT, LAWRENCE BERKELEY NATIONAL LABORATORY

The President recommended that, upon review and consideration of the environmental consequences of the proposed project, the Committee:

- A. Certify the Environmental Impact Report (EIR).

- B. Adopt modifications to the Mitigation Monitoring Program for the Lawrence Berkeley National Laboratory 2006 Long Range Development Plan EIR.
- C. Adopt the Findings.
- D. Approve the design of the Seismic Phase 2 Project, which includes the following components:
 - (1) General Purpose Laboratory.
 - (2) Building 85 Slope Stabilization.
 - (3) Demolition of Buildings 25/25B, 55, and six Building 71 trailers, Lawrence Berkeley National Laboratory.

[Background material was mailed to the Committee in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

[Regents were provided with a packet of correspondence received regarding this item, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Schilling stated that each Committee member had received the Environmental Impact Report (EIR) and findings analyzing the environmental impacts of the project pursuant to the California Environmental Quality Act (CEQA), and copies of all public comments received and responses by the University. She stated that the members of the Committee had reviewed and considered the information contained in the environmental documents, including all comments received in writing or presented to the Committee that day and had balanced the specific benefits of the proposed project against the unavoidable adverse environmental effects.

Mr. Jerry O’Hearn, Department Head for Capital Projects at Lawrence Berkeley National Laboratory (LBNL) and Project Director for the Seismic Phase 2 Project, presented a map of the UC Berkeley campus, indicating LBNL’s 202 acres, 83 acres of which are parcel-leased to the U.S. Department of Energy. He pointed out that LBNL lies above UC Berkeley’s Memorial Stadium and below the Lawrence Hall of Science.

Mr. O’Hearn discussed the proposed demolition of Building 25, which was rated seismically “very poor,” and construction of a general purpose laboratory at that site. The project also includes Building 85 slope stabilization, demolition of some trailers by Building 71, and demolition of Building 55, which is rated “poor.”

Mr. O’Hearn elaborated details of the project scope, which included a new 43,000 gross square foot, three-story, general purpose laboratory building for research in life sciences, physical biosciences, and solar energy. The project would also remedy seismic deficiencies in and under Building 85, LBNL’s hazardous waste handling facility, and

would demolish approximately 43,000 gross square feet of seismically deficient, antiquated buildings and trailers.

The project will be funded completely by the U.S. Department of Energy and will require no UC or State funds. Taking into account the need for CEQA and National Environmental Policy Act (NEPA) approval, demolition of Building 25 is scheduled to begin in fall 2010. Construction of the proposed general purpose laboratory would begin in May 2011, with completion in May 2013.

Following the 2009 CEQA scoping meeting, the proposed location of the general purpose laboratory was moved to the current site in response to public concerns about the proximity of the first location to the UC Botanical Garden. In 2009, an analysis was completed to address concerns about the rock and slope stability of the proposed general purpose laboratory site; this analysis showed the proposed site to be stable and this information was included in the 2010 draft EIR. The project includes a utility center for mechanical, electrical, and plumbing systems, maintenance of an existing grove of sequoia trees, and development of a commons for this portion of LBNL.

Mr. O’Hearn showed slides detailing features of the proposed general purpose laboratory. The three floors will contain laboratory and office space. Life science research will be housed on the second floor and physical biosciences research on the third. Construction materials will include architectural concrete for the building’s base and wood accent panels for soffits in the lobby, with high-performance double-pane glass wrapping the building. The proposed building incorporates architectural themes of both the Molecular Foundry building and the user support building for the Advanced Light Source.

The proposed project seeks to stabilize the risk of earthquake-induced slides under and around Building 85. An existing slide runs under a portion of Building 85. Proposed below-grade concrete piles and tiebacks would hold the earth below the building and would direct an earthquake-induced slide two to three feet past the building. The proposed demolition includes Buildings 25, 25B, and 55, as well as the Building 71 trailers, or about 43,000 gross square feet.

Mr. O’Hearn emphasized that sustainability is important to LBNL and UC. The proposed general purpose laboratory building would achieve a Leadership in Energy and Environmental Design (LEED) Gold rating. The project follows LBNL guidelines, and some of the project’s sustainability features will outperform federal energy standards by approximately 50 percent. These federal standards are similar to California’s Title 24 standards. The building will use sun shades, and light shelves will be used to direct light into the center of the building. Light sensors will turn off lights during times of adequate ambient light. Locally sourced renewable construction materials will be used when possible. Over 50 percent of the power contracts for the laboratory building are from non-greenhouse gas-emitting sources. The project will not increase storm water discharge.

In the area of environmental review, Mr. O’Hearn pointed out that the project is within the scope of LBNL’s Long Range Development Plan (LRDP) and the site-wide LRDP

EIR. Project scoping was completed in January 2009, and a scoping meeting was held on January 14, 2009. Following the scoping meeting, and in response to public comments, the site of the proposed general purpose laboratory building was moved to its current proposed location. The draft EIR was circulated for public review from January to March 2010; a public hearing was held on February 25, 2010. At that time, the draft EIR contained one significant, but unavoidable, environmental impact, a cumulative traffic impact. One comment letter was received from the East Bay Municipal Utility District and seven letters were received from concerned citizens. After the public comment period, one project change was made. A different user will occupy the general purpose laboratory, thereby reducing cumulative traffic impact to less than significant. The final EIR addressed all comments received. LBNL has responded to all comments. Mr. O'Hearn concluded by observing that final approval of this project also depends on completion of the NEPA review process by the Department of Energy.

Regent Hime asked about the cost of obtaining LEED Gold certification. Mr. O'Hearn answered that the cost of the certification process through the Green Building Council is approximately \$100,000. Regent Hime asked about the square footage of this project relative to the Santa Barbara project discussed earlier. Mr. O'Hearn responded that this project, at 43,000 gross square feet, is similar in size to the Santa Barbara project.

Regent Johnson inquired if there were any problems regarding toxicity at the project, given concerns raised earlier that day during the public comment period. Mr. O'Hearn responded that the footprint of the Building 25 site has been analyzed. LBNL will be carrying out additional testing. At this time, LBNL knows of no actionable hazardous materials under the footprint of the proposed building. Additional testing will occur when the existing building is demolished.

President Yudof asked if there was any additional report on Building 25 or any document regarding Building 25 which had not been made available to the Board. Mr. O'Hearn responded that LBNL conducted a geologic investigation of the site of Building 25 in 2009; this was made available during the public comment period for the draft EIR. For the final EIR, all the finalized geologic and geotechnical reports were published on LBNL's community affairs website.

President Yudof asked if there were any draft reports which have not been provided to the Committee. Mr. O'Hearn responded that LBNL had no draft reports at this time. President Yudof asked if the site of Building 25 had ever been classified as a Superfund site. Mr. O'Hearn responded that, according to the head of LBNL's Environmental Protection Group, while LBNL had been considered as a possible Superfund site around 2005, it was never accepted as one and has never been placed on an official list.

President Yudof asked about the possible reasons why LBNL had not been listed as a Superfund site, such as insufficient levels of radioactivity or other hazardous materials. Mr. O'Hearn responded that he was unaware of the specific reason.

President Yudof asked about legally required clean-up prior to construction of the new buildings. Mr. O’Hearn responded that LBNL has carried out testing under the existing building. LBNL has found no actionable hazardous materials under the proposed building site; there are some hazardous materials. When Building 25 is demolished, LBNL will carry out more testing. If the hazardous materials reach an actionable level, LBNL must abate or remove the hazardous material or otherwise remedy the situation.

President Yudof asked if any studies have been conducted of aberrational cancer rates in individuals working in these buildings. Mr. O’Hearn responded that he knew of no such studies.

President Yudof noted that there have been concerns about the possibility of insufficient bedrock underlying the proposed site and asked if the ground was robust enough. Mr. O’Hearn responded that this issue was addressed in LBNL’s 2009 geologic investigation and in geotechnical reports from the current year. LBNL found that there is adequate strength in the bedrock to support the general purpose laboratory.

Regent Makarechian referred to mitigation efforts for the waste-handling facility in Building 85 and asked if there were any visual indications of instability, such as cracks in the floor. Mr. O’Hearn responded that LBNL discovered a potential slide plane five to six years previously, during work on other projects. For this reason, LBNL has continued boring and trenching in that area. Mr. O’Hearn noted that he knew of no evidence that the slide plane has caused any structural damage at the Building 85 site itself. He emphasized that the slide would activate only during a seismic event, not during a wet season.

In response to a question by Regent Makarechian, Mr. O’Hearn confirmed that Building 85 slope stabilization could best be characterized as a seismic correction. He added that while Building 85 is currently rated seismically “poor,” its rating would be “good” upon completion of the work.

Regent Makarechian asked about how LBNL is treating the foundation of the new general purpose laboratory, a much heavier building than Building 85 which will be constructed on similar soil. Mr. O’Hearn responded that the general purpose laboratory will rest on spread footings and will not have deep foundations. The relatively small utility center associated with the general purpose laboratory will rest on pier foundations.

Regent Makarechian asked about the soil characteristics of the Building 85 site and the new general purpose laboratory site. Mr. O’Hearn responded that the soil characteristics of the two sites are different. Building 85 rests on the transition of an earthquake-induced slide plane; the new building site does not rest on any similar boundary.

In response to questions by Regent Makarechian, Mr. O’Hearn pointed out that Building 85 rests on a transitional zone between two different rock types, while the general purpose laboratory will rest on just one rock type. This matter has been studied and peer reviewed.

Upon motion duly made and seconded, the Committee approved the President’s recommendation.

6. UPDATE ON MONITORING PROGRESS AND PERFORMANCE OF THE UNIVERSITY CAPITAL PROGRAM

[Background material was mailed to the Committee in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Vice President Lenz reported that the Office of the President Campus Capital Program Leadership Forum has met twice and has established four working groups. Two working groups, in the areas of business case analysis and early notification to the Regents of high-interest projects, are making significant progress. The two remaining working groups, one on metrics, standards and data, and one on contract and strategic sourcing, would meet in the current month. Vice President Lenz expected that the Forum would have some concrete recommendations in September.

Regent Makarechian asked about the requirements for UC to carry out its own certifications in Leadership in Energy and Environmental Design (LEED). Regent Hime asked about the possibility of engaging UC staff members with LEED certification training to certify UC projects. Vice President Lenz responded that UC is working to establish volume certification of LEED projects in order to reduce costs. He stated that the University is examining the possibility of in-house staff carrying out LEED certifications, but that the cost of hiring new staff in the current budget environment is challenging. If the University determined that the cost savings through self-certification outweighed the cost of hiring new staff, this action would be prudent.

The meeting adjourned at 5:05 p.m.

Attest:

Associate Secretary