The Regents of the University of California

COMMITTEE ON GROUNDS AND BUILDINGS
May 17, 2005

A Special Meeting of the Committee on Grounds and Buildings was held on the above date at 1000 Broadway, Oakland.

Members present: Regents Anderson, Hopkinson, Kozberg, Ornellas, and Ruiz; Advisory members Juline, Rominger, and Brunk

In attendance: Secretary Trivette, General Counsel Holst, Senior Vice President Mullinix, and Recording Secretary Bryan

The meeting convened at 11:00 a.m. with Committee Chair Hopkinson presiding.

1. **READING OF NOTICE OF MEETING**

For the record, it was confirmed that notice had been given in accordance with the Bylaws and Standing Orders of The Regents for a Special Meeting of the Committee on Grounds and Buildings, for this date and time, for the purpose of addressing items on the Committee's agenda.

2. **PUBLIC COMMENT**

Regent Hopkinson conducted a public comment period for the purpose of hearing from those who wished to comment on University-related matters and matters on the Committee's agenda. The following persons addressed the Committee concerning University matters:

Speakers A through E were representing the California Student Sustainability Coalition:

A. Mr. Soumil Mehta thanked the Regents for supporting the coalition's previous efforts with regard to sustainability. He believed that the transportation systems the campuses choose to develop will affect their character. He emphasized the importance of building housing close to campus and taking other steps to assure that there will be maximum human interaction on campuses.

B. Mr. Ted Buehler, a graduate student from UC Davis, spoke in favor of a resolution to reduce single occupancy vehicle trips to campuses and increase alternative transportation on the campuses over the next 20 years. He noted that UC Davis intends to spend over $60 million to build parking garages in the next ten years. He was hopeful that the Regents would mandate a shift away from borrowing for such construction and toward establishing reliable fund sources to support and further development of sustainable transportation measures.

C. Ms. Dorothy Le, a UCLA student, emphasized that students have taken it upon themselves to coordinate the campaign for sustainability on the campuses. She was hopeful that the Regents would facilitate the efforts of the Sustainability Coalition. She reported that many students had participated in research projects on sustainable transportation systems in order to develop feasible approaches to shifting toward sustainable transportation. She was hopeful that a strong policy could be adopted that would ensure positive end results.

D. Mr. Tim Galarneau, a Santa Cruz student, advocated developing sustainable food systems. He believed that the campuses should increase their efforts to reduce their support of toxic industries and should support more sustainable agricultural practices and reducing waste in the University's dining service systems. He suggested developing green facility design standards. He reported that various campuses have student food system groups that are working collaboratively to develop ways of revising campus dining practices to make them more sustainable.

E. Ms. Bridgit Van Bellegham, a UC Davis student, reported on student advancements with regard to the green building and clean energy policy that was adopted in July 2004. The students have established administrative or chancellors' sustainability advisory committees on a majority of campuses and are working to engage staff, faculty, and administration in the sustainability movement.

F. Mr. Bryan Quevedo, a UC Berkeley School of Public Policy student, noted that the University's increasing professional fees will reduce the ability of graduates to serve the public by forcing them to turn to private sector jobs in order to repay their student loans. He reported that four out of five graduates of his school keep their skills in California and in the public and non-profit sectors. He was hopeful that the funding cuts that have inhibited many students from attending the University and have threatened faculty and staff retention would not be accompanied by increased professional fees.

G. Mr. Miguel Casillas, speaking on behalf of the Boalt Hall Students Association, spoke against increases in professional school fees. He believed that many law school students would be unable to go into their desired fields in public practice because they would need to focus on repaying their student loans. He believed also that the threat of continuing professional school fee increases had caused many students to choose other universities.

H. Mr. Mo Kashmiri referred to a proposed additional fee increase that would be considered at The Regents' May meeting. He reported that, despite assurances from the University that fees would not be raised, his fees had more than doubled during his years at Boalt Hall. He suggested that before adopting a further increase in the professional fees, every possible option be considered, one of which could be to spread increases over a period of years. He believed that professional students had already paid their fair share.

3. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of March 15, 2005 were approved.

4. **AMENDMENT OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM FOR ARROYO STUDENT HOUSING–PHASE 1, RIVERSIDE CAMPUS**

The President recommended that, subject to the concurrence of the Committee on Finance, the Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

> Riverside: Arroyo Student Housing–Phase 1 – preliminary plans, working drawings, construction, and equipment – $54,671,000 total project cost to be funded from external financing ($50,276,000), Riverside campus University of California Housing System Net Revenues ($3,147,000), and Recreation reserves ($1,248,000)

It was recalled that the Riverside campus proposes to design and construct the Arroyo Student Housing–Phase 1 project, an apartment-style student housing project that will provide 511 bed spaces (504 revenue beds for students, five 1-bedroom units for Resident Advisors, and one 2-bedroom unit for the housing staff Resident Director. A total of 166,799 asf (209,300 gsf) will be provided, including associated support and common space with a grill and convenience store, along with three recreation fields.

At the May 2004 meeting, The Regents approved the preliminary planning phase for the Arroyo Student Housing project in the amount of $1.8 million. Approval of the P phase allowed the campus to prepare additional site accommodation studies to maximize program priorities for the campus and project within rigorous cost parameters.

Demand Analysis

The proposed campus LRDP establishes a campus goal of housing 50 percent of all UC Riverside students in University-owned beds. The campus currently serves only 26 percent of the UCR student body. The housing goal for freshmen and transfers is higher at 75 percent. The apartment-style housing proposed in this project is intended eventually to be used by continuing students; however, until more residence hall-style housing can be constructed, the Arroyo Student Housing–Phase 1 project will meet pent-up demand for freshmen and transfer housing.

The shortage in housing is illustrated by a fall 2004 waiting list of 720 students who could not be housed by the campus. The campus' total housing inventory consists of 4,382 beds, including 124 overflow beds. Of the existing inventory, 3,044 are residence hall beds reserved for freshmen, transfers, and some returning residents. The remaining

1,338 are in apartment-style housing. Graduates, upper-division undergraduates, and students with families all compete for this limited supply.

The flexibility of apartment-style housing to meet the needs of a wide variety of students would allow it to be used as freshman and new transfers "swing" housing through the first few years of occupancy and then move toward providing housing for upper-classmen and graduate students.

Project Description

The Arroyo Student Housing–Phase 1 project will be comprised of four major components: (1) Student Housing Complex (142 units), (2) Common Facilities and Administration, (3) Grill and Convenience Store, and (4) Recreation Fields. The new 504 revenue-generating student beds will be comprised of four apartment types, all with single-occupancy bedrooms: 117 four-bedroom suites, 17 two-bedroom suites, 1 one-bedroom apartment, and 1 studio apartment. Each unit will have a living and dining area, kitchenette, study and sleeping area, bath facilities, and storage and circulation space. Each four-bedroom suite will be approximately 1,178 asf, two-bedroom units will be approximately 700 asf, the one-bedroom unit will be approximately 460 asf, and the studio apartment will be approximately 425 asf. In addition to the five non-revenue beds for on-site resident advisors, a housing staff member will occupy one 2-bedroom apartment.

Housing Complex and Common Facilities and Administration: The housing complex will be organized into separate buildings. Ancillary space such as administrative offices, study rooms, computer labs, and laundry facilities are consolidated centrally as shared services. The housing structures are anticipated to be four stories high. Configuration and orientation of the buildings will create interior courtyards and outdoor program space and will minimize western sun exposures to avoid unnecessary heat gain.

Parking: The 511-bed Arroyo Student Housing project requires a minimum of approximately 256 associated parking spaces. At the time of P approval, the project was planned to include approximately 300 surface parking spaces. Since then, the campus has determined that the parking requirements associated with the Arroyo Student Housing project can be met with existing parking inventory, involving no capital cost.

Grill and Convenience Store: A small-scale grill and associated convenience store (3,360 asf) will be included in the project. In the short term, it will serve the diverse needs of the new student population of the Arroyo Student Housing and Pentland Hills residence hall, the contracts for which include dining plans. The facility will function as part of the Dining Services Program. The facility will include a grill, convenience store, central mail box areas, and other housing support functions. In the future, the focus will change to meet the needs of the apartment residents and provide late night dining for all housing operations and other members of the campus community. Upon completion of the subsequent phases of the Arroyo neighborhood, the facility will support a total of 1,200 residents.

Recreation Fields: A 4.55-acre (198,000 asf) area of the site will be developed to provide three recreation fields of 55 yards x 100 yards each. Appropriate buffers will be constructed. Upon completion, the recreation fields may be used as three soccer fields or two softball fields, and will otherwise contribute to Housing Service conferences and athletic summer campus activities, with estimated income of $1 million per year.

Construction will be planned to begin March 2006, and to be completed July 2007.

This project will comply with the Presidential Policy for Green Building Design and Clean Energy Standards dated June 16, 2004. As required by this policy, the project will adopt the principles of energy efficiency and sustainability to the fullest extent possible, consistent with budgetary constraints and regulatory and programmatic requirements. Specific information regarding energy efficiency and sustainability will be provided when the project is presented for design approval.

Project Costs

Certain project-specific factors related to site development, infrastructure, and utilities have a bearing on the proposed housing project budget.

The site developments for the Arroyo Student Housing project will include enhancement of the vegetation of the western end of the arroyo, creation of a landscaped 100-foot buffer between the apartment building and Valencia Hill Drive, and pedestrian paths linking to the existing Lothian and Pentland Hills student residences, as well as the rest of the campus.

Many of the required utilities do not exist or do not have sufficient capacity to accommodate this project and will require upgrades. These utilities include domestic water, sanitary sewer, electricity, natural gas, and storm water.

The campus has engaged in continued due diligence efforts to optimize both program value and cost efficiencies for the project. In addition to the savings achieved by using existing parking as described above, other important cost-saving measures include the following:

Open vs. Covered Arroyo: Partial coverage of the arroyo land form was originally planned for the project site. Revising the project boundaries to conform to the natural edge of the arroyo allowed the campus to eliminate the associated earthmoving and underground piping costs, as well as potential cost and schedule impacts due to permitting requirements.

Site Plan: Buildings placed on a podium shelf above structured parking were originally planned for the project, requiring considerable associated earthmoving; however, when the approach to parking, the arroyo, and the site boundary were reconsidered, the campus was able to rearrange the site to minimize the overall earthmoving requirements.

Apartment Buildings: In conjunction with the site accommodation studies, the campus has explored use of more efficiently sized and configured apartment units, arranged in regular, repetitive building forms to realize construction efficiencies. Support facilities such as laundry and computer labs have been consolidated in their own structures to reduce overall square footage requirements and avoid non-standardized forms or infrastructure needs relative to the apartment buildings themselves.

CEQA Compliance

An Initial Study is to be prepared to determine if the project may have significant effects on the environment that have not been analyzed adequately in a certified program EIR. This information will be presented to The Regents for review and consideration at the time of the project design approval.

Committee Chair Hopkinson asked about the interest costs of 6.125 percent, noting that interest rates in the private market are at 5.5 percent. Senior Vice President Mullinix explained that it was a projected rate of the cost of financing that assumes that interest rates will rise in the next few years. Regent Hopkinson asked why 511 units were single-occupancy. Director of Non-State Capital Program Hoffman reported that the Riverside housing director had decided that the most flexible housing project was needed. The first two years it would be single-occupancy, but it could be converted to doubles or triples later, if necessary. It is a swing project that will accommodate current needs and future demands. In response to a further question about the lack of parking included in the project, Assistant Vice Chancellor Johnson confirmed that there are a sufficient number of parking spaces available on existing adjacent lots.

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

5. **ADOPTION OF MITIGATED NEGATIVE DECLARATION AND APPROVAL OF DESIGN, GENOMICS BUILDING, RIVERSIDE CAMPUS**

The President recommended that, upon review and consideration of the environmental consequences of the proposed project as indicated in the Mitigated Negative Declaration, the Committee:

A. Adopt the Initial Study/Mitigated Negative Declaration.

B. Adopt the Findings and Mitigation Monitoring Program.

C. Approve the design of the Genomics Building, Riverside campus.

[The Initial Study/Mitigated Negative Declaration, Findings, and Mitigation Monitoring Program were mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary.]

It was recalled that in November 2003, The Regents approved the Genomics Building, Riverside campus for inclusion in the 2004-2005 Budget for Capital Improvements and the 2001-2006 Capital Improvements Program. The final approved budget was to be determined by the amount of funds available net of closing costs from the sale of the Moreno Valley field station property. The total project cost of $53,800,000 at CCCI 4100 will be funded by State Lease Revenue Bonds.

In August 2004, the Office of the President appointed RBB Architects and Shepley Bulfinch Richardson & Abbott as executive architect and design architect, respectively.

Project Site

The building is located on the south side of the main campus at the intersection of Eucalyptus Drive and Citrus Drive. The east side of the building will be bounded by a pedestrian walkway and the south end will abut the existing Entomology Building rear courtyard. The proposed use of the site is consistent with the 1990 Long Range Development Plan (LRDP), which designates the site for College of Natural and Agricultural Sciences use. The primary building entrance is located at the northeast corner of the site; this entrance can be accessed through a courtyard by a sloped walkway from Eucalyptus Drive. A pedestrian passageway through the building lobby at the first floor provides a direct connection from the Bio-Sciences Laboratory to the Entomology building's rear courtyard. The building will also be accessible from Citrus Drive by a walkway adjacent to the shared loading dock between it and the Entomology Building.

Project Description

The Genomics Building will accommodate approximately 63,986 asf within 110,321 total gsf. The building will provide research laboratories to support the Genomics Institute, which will develop and disseminate new scientific and technical knowledge that will afford economic and social benefits to agriculture and the environment.

The building is designed to contain four stories in a two-wing "T" configuration with laboratories located on the west and south sides and offices on north and east sides. The first floor accommodates laboratories, laboratory support space, faculty and post-doc offices, and administrative areas. A lobby and breakout space for a 100-seat auditorium and a mechanical room for the building are also located on this floor. The second through fourth floors will provide a variety of laboratory space, lab support space, faculty and post-doc offices.

The building will be a reinforced, flat-slab concrete structure with an exterior façade that will be clad in a combination of brick, plaster and coated metal panels. All laboratory areas and faculty offices will be provided with natural light. Materials selected for the façade are in accordance with UCR's standards and will be in the same color range as the buildings located nearby.

The Genomics Building project, as designed, will outperform California Energy Code Title 24 by 20 percent and is participating in the Savings by Design program. Although the budget for this project was approved before The Regents' sustainability energy policy took effect, it will achieve a LEED certified equivalency rating by implementing the following:

- Building is sited for use of natural light in program areas.
- Brick used for exterior are local resources and interior materials identified for use are recycled content or low embodied energy.
- The integrated design approach will reduce building operating costs and environmental impacts.

The design of the project has been reviewed in accordance with University policy. Independent cost consultation and seismic review have been conducted. The Office of Design and Construction staff will manage this project, under the supervision of the Vice Chancellor for Administration.

Environmental Impact Summary

Pursuant to State law and University procedures for implementation of the California Environmental Quality Act (CEQA), the final Initial Study was prepared for the proposed Genomics Building project to determine any potentially significant environmental effects associated with the project. The Initial Study, tiered from the LRDP Environmental Impact Report (EIR) (July 1990), evaluates project and site-specific impacts. Cumulative impacts and mitigation measures for all campus development proposed in the LRDP are addressed in the LRDP EIR. The draft Initial Study was prepared and circulated to the public, responsible and trustee agencies, and to the State Clearinghouse for a 30-day review period from December 1, 2004 to December 31, 2004. Comments were received from four public agencies: the Southern California Association of Governments (SCAG), the Native American Heritage Commission (NAHC), the City of Riverside, and the State Clearinghouse. The SCAG commented that the project was not regionally significant. NAHC provided information on the requirements for determining if a site may have Native American resources. The 1990 LRDP EIR evaluated the campus for archaeological sensitivity and this site is not considered likely to contain any Native American resources given prior development. The City of Riverside commented that the project would need to pay sanitary and sewer connection and use fees. This is a topic of ongoing negotiation between the campus and the City. The State Clearinghouse forwarded NAHC's comment letter.

Based on the impact assessment in the final Initial Study/Mitigated Negative Declaration, it has been determined that the proposed project, as mitigated, will not, by itself, result in significant impacts, and that the cumulative impacts of the campus growth identified in the LRDP will be mitigated by the LRDP EIR mitigations to the extent feasible.

In accordance with CEQA's mitigation monitoring requirements, measures to reduce or avoid significant impacts identified in the 1990 LRDP EIR are monitored under the

LRDP Mitigation Monitoring Program. New project-specific impacts and mitigation measures were identified in the following areas: Geology and Soils (seismic ground-shaking), Hydrology and Water Quality (water quality), Public Services (possible new fire hydrant), and Transportation and Traffic (short-term disruptions to traffic operations and pedestrian/cyclist safety during construction). These mitigation measures will be monitored in accordance with the Genomics Building project Mitigation Monitoring Program.

Findings

The Findings discuss the project's environmental review process, the relation of the project to the LRDP EIR, project impacts and mitigation measures addressed in the context of the Genomics Building project final Initial Study, and conclusions regarding approval of the final Initial Study/Mitigated Negative Declaration for this project in conformance with CEQA.

Assistant Vice Chancellor Johnson presented slides of the project.

Regent Kozberg asked about the shading devices. Associate Director of Design and Construction Chiu reported that low-e glass would be used, with interior shades. Committee Chair Hopkinson praised the design, but she believed that because of the building's orientation, more shading from the sun was necessary. Assistant Vice Chancellor Johnson agreed to bring up the matter with the architects.

Regent-designate Juline noted that the description of the project did not include the overall benchmark model that the University has developed for various categories of buildings. Assistant Vice President Bocchicchio responded that once the benchmark has been refined, it will appear in all project proposals. Committee Chair Hopkinson observed that the comparable University projects listed were several years old and that the construction industry has undergone many recent changes.

In response to a question by Committee Chair Hopkinson concerning the reasonableness of the architect/engineer fees, Senior Vice President Mullinix reported that they are set according to both University and State guidelines.

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

6. **ADOPTION OF MITIGATED NEGATIVE DECLARATION AND APPROVAL OF DESIGN, MUSIC BUILDING, SAN DIEGO CAMPUS**

The President recommended that, upon review and consideration of the environmental consequences of the proposed project as indicated in the Mitigated Negative Declaration, the Committee:

A. Adopt the Initial Study/Mitigated Negative Declaration.

B. Adopt the Mitigation Monitoring Program and Findings.

C. Approve the design of the Music Building, San Diego campus.

[The Initial Study/Mitigated Negative Declaration, Mitigation Monitoring Program, and Findings were mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary.]

It was recalled that in November 2003, the Regents approved the inclusion of the Music Building, San Diego campus, in the year 2004-2005 Budget for Capital Improvements and the 2004-2009 Capital Improvements Program at a total project cost of $40,135,000 at CCCI 4100. This budget was amended in November 2004, due to an increase in the CCCI, for a total project cost of $42,056,000 at CCCI 4328. Current estimates indicate a total project cost of $46,412,000, due primarily to increased inflation in the construction market. Campus funds of $4,356,000 have been reserved to offset this potential overage, and upon determination of the final cost based on bids the campus will request approval from the Office of the President for an increased total project budget. The campus has worked steadily at reducing the estimated budget overage during the schematic design phase. A value engineering session was conducted in November 2004 at which cost-reducing strategies were identified, including a redesign to achieve lower costs and bring the project closer to the original budget. While efforts will continue during the development of the bidding documents to align the costs with the original budget, it is unlikely that delivering the approved scope will be possible without some increase in cost.

In February 2005, the Office of the President approved the appointment of LMN Architects, Seattle, Washington as Executive Architect for the project.

Project Site

The site for the proposed facility is in the University Center Campus Neighborhood. It is bounded on the east by Russell Drive and the Gilman Parking Structure and the Pepper Canyon Multi-Purpose Building, on the west by the University Center Administrative Buildings, on the north by Rupertus Drive, and on the south by the Sixth College Provost Administration Complex. The project site is consistent with the Academic land use designation in the 2004 Long Range Development Plan.

Project Design

The Music Building is designed to contain 47,000 assignable square feet (asf) of space within a total area of approximately 85,500 gross square feet (gsf) of new construction. The program includes faculty offices and studios, instruction spaces, practice rooms, ensemble rehearsal spaces, a recital hall to support academic program needs, administrative support space, and research laboratory space.

The proposed facility is roughly rectangularly shaped, to best use the available site. The building mass combines large one-story spaces (the recital hall and three ensemble rooms) with an adjacent three floors above grade structure, which house administrative and instructional spaces.

A concrete structural system has been selected as the most cost effective and flexible structural system, as well as possessing the inherent needed acoustical properties. Exterior walls are a combination of architectural concrete masonry units, glass curtain wall panels, and cement plaster. A standard variable air volume HVAV system is planned for the instructional and administrative areas, and a special low velocity HVAC system is planned for the Recital Hall.

The character of the Music Building design reflects its central role within the University Center Neighborhood plan. The facility will complement nearby buildings (Gilman Parking Structure, Pepper Canyon Multi-Purpose and the soon to be under construction Student Academic Services Building) in architectural character and materials. The organization of the Music Building will provide exterior access for students to large instructional areas and public access to the recital hall, landscape features, and outdoor seating areas. An east-west paved pedestrian path along the south edge of the site will connect existing student parking and future housing with portions of the campus to the east.

Although the budget for this project was approved before The Regents' sustainability policy took effect, this project will comply with the University of California Policy on Green Building Design and Clean Energy Standards, as well as with the Presidential Policy for Green Building Design and Clean Energy Standards. HVAC and lighting systems are designed to optimize energy performance and exceed California Title 24 energy conservation requirements. Specification of recycled and renewal materials selections and selection of interior finishes have been made to improve indoor environmental quality. Site-related sustainable goals include erosion and sediment control, low maintenance landscape material, recycled irrigation water, and water efficient interior fixture selections. Finally, the use of best practice commissioning procedures will insure a fully controlled, energy efficient facility.

The University of California, San Diego, Design Review Board has reviewed and approved the design of the Music Building in accordance with University policy. An independent cost estimate and seismic review are complete. The Office of Facilities Design and Construction will manage the project. Independent testing agencies will be used as necessary. The Assistant Vice Chancellor and Campus Architect, Facilities Design and Construction, will perform project oversight.

Environmental Impact Summary

Pursuant to State law and University procedures for implementation of the California Environmental Quality Act (CEQA), an Initial Study/Mitigated Negative Declaration (MND) was prepared for the Music Building project. The proposed MND was prepared

and circulated to responsible agencies and to the State Clearinghouse for a 30-day public review from January 21, 2005 to February 22, 2005. Two comment letters were received: one from the City of San Diego relating to traffic mitigations and solid waster and the other from the San Diego Archaeological Society concurring that the project would not affect archaeological resources. Responses to the comments are in the MND. No new issues were raised germane to the content of the project IS/MND. The proposed MND is tiered from the 2004 LRDP Environmental Impact Report. Based on the Tiered Initial Study, the University concluded that, although the proposed project could have significant effects on the environment, revisions to the project have been made or mitigation measures proposed for adoption with the project that would reduce those effects to less-than-significant levels. Based on the Tiered Initial Study/MND and implementation of LRDP EIR mitigation, there is no substantial evidence that the project, as mitigated, will have a significant effect on the environment.

Findings

The Findings discuss the project's impacts and associated mitigation measures.

Assistant Vice Chancellor Hellmann presented slides of the project.

In response to a question asked by Regent-designate Juline, Mr. Hellmann explained that the high percentage of assignable to gross square footage was typical of music buildings, which need additional interior structure in order to create the required acoustic performance of the space. The thickness of the building structure, the thickness of the acoustic features, the unusually wide halls needed to move pianos, and the covered outside areas also contribute to the unbalanced ratio.

In response to a question asked by Regent Kozberg about the potential for recording performances, Mr. Hellmann reported that initial program criteria called for an extremely high acoustic rating in the rehearsal hall. Given budgetary concerns and upon evaluation by faculty, it was determined that a lower acoustic rating, which would accommodate most kinds of recording, would be acceptable.

Regent Ruiz asked about utility rebates for annual projected savings. Mr. Hellmann responded that as part of sustainability requirements and equipment evaluation, the campus submits what are believed to be the energy requirements for the facility. The utility companies agree to provide savings if those objectives are accomplished.

Committee Chair Hopkinson asked a series of questions concerning landscaping, the performance hall approach, materials, the service entrance screening, administration costs, and budget overages. Vice Chancellor Hellmann responded that further landscaping would be considered in order to provide a buffer against the street and to enhance the area outside the performance hall. He noted that the campus is developing separate districts using distinctive building materials. Although the concrete for this project is light-colored and textured, he believed it could be lightened further. He agreed to examine the service entrance plan and its landscaping. Concerning administrative

costs, Senior Vice President Mullinix observed that it is difficult to compare soft costs of projects between owners because the costs are not captured in the same way. He reported that audits of soft costs are under way at three campuses to reveal inconsistencies and the appropriateness of the category elements. Concerning the budgetary overage, he reported that the Office of the President is permitted to augment project budgets within a percentage range without Regental approval.

Regents Hopkinson and Kozberg hoped that the pallette of colors and materials would not be used in future projects.

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

7. **PRELIMINARY REVIEW OF DESIGN, PRICE UNIVERSITY CENTER EXPANSION, SAN DIEGO CAMPUS**

The San Diego campus presented preliminary schematic design information for a proposed Price University Center project.

This project is designed to contain 105,000 asf of space within a total area of approximately 175,000 gross square feet (gsf) of new construction. The addition and renovation would provide additional student offices, lounge and administrative spaces, more conference and event space, food service, and retail space. The project would also add space for an Alumni and Visitor's Center and a Cross-Cultural Center. The overall project cost is about $72 million.

Assistant Vice Chancellor Hellmann showed slides of the project. There are three components to the project: a lounge and ballroom, retail space, and office wings. The materials include cement plaster. Sustainability is targeted at LEED Silver rating.

Regent-designate Juline noted that an alumni visitors' center on the second level of the building did not have a distinctive entrance. Mr. Hellmann agreed that the design will include a dramatic, visible approach that provides a specific identity to the alumni center.

Regent Hopkinson noted that the building is very creative and meshes well with its surroundings.

8. **PRELIMINARY REVIEW OF DESIGN, EAST CAMPUS GRADUATE HOUSING, SAN DIEGO CAMPUS**

The San Diego campus presented preliminary schematic design information for a proposed East Campus Graduate Housing project. The project is designed to contain approximately 292,000 assignable square feet of space within a total area of approximately 374,000 gross square feet of new construction. The East Campus Graduate Housing project will provide approximately 800 student beds in 2-bedroom apartments for single graduate and medical students. Graduate students who worked on

the planning were very concerned about keeping costs low. Making all the units the same size is a way to accomplish savings.

Assistant Vice Chancellor Hellmann reported that Sundt Construction has been selected for this design-build project, at a cost of $78 million. The project, which will include a parking structure of 682 spaces, is on an undeveloped 6.5-acre site next to Mesa student housing. The promontory on which it sits has views of the surrounding community. The buildings are arranged to block traffic noise and will take advantage of the views. Fingers of buildings contain interior activity spaces that are landscaped. All the apartments are two bedrooms and one bath. The material is a cement-board siding, with the lower portion of the building using concrete masonry with two different types of block to give it a broader texture and range of color.

Committee Chair Hopkinson observed that it was difficult to comment on the project without having received written background material in advance.

In response to a question asked by Regent-designate Juline, Vice Chancellor Woods reported that a high-tech pedestrian bridge over the interstate that had been planned in the past had proved to be too expensive.

Regents Kozberg and Hopkinson thought the design looked dated. The scheme of enclosing the balconies was reminiscent of the 1960s and the color scheme was unattractive.

Mr. Hellmann indicated that design approval would be sought at the September meeting. Regent Hopkinson advised him to return to the Committee at the July meeting with a new color pallette and approach to the exterior. She suggested finding a way to differentiate the various sections of the project.

9. **UPDATE ON DESIGN, PHYSICAL SCIENCES EXPANSION, DAVIS CAMPUS**

Campus Architect Strand recalled that the Physical Sciences Expansion project had been presented to the Committee at the previous meeting. The Committee had advised the campus to do some further work on the design, improving the exterior architecture, illustrating the future development of the quadrangle, and enhancing the functional and visual relationship of the quad and arboretum. With the aid of slides, he described future plans for building and renovating surrounding buildings.

The project location is along the arboretum. Mr. Strand reported that the floor plan elements had been rearranged to create a better relationship between it and the quad and arboretum. The building exterior was given more presence and energy. The entry was enlarged, a stairway was moved and made lighter through the increased use of glass, and a conference room was relocated to face the arboretum. On the second and third floors, balconies were added. Shade elements and other window details were added also, and the color pattern was enriched.

Regent Hopkinson complimented the design team on the revisions.

10. **STATUS OF UNIVERSITY COMMUNITY LAND COMPANY, LLC, MERCED CAMPUS**

It was recalled that the Committee was last updated on the planning for the University Community at the June 2004 committee meeting. Chancellor Tomlinson-Keasey provided a report on activities since the last update She recalled that a chronology of events and activities related to campus planning had been distributed to the Committee in advance.

Vice Chancellor Desrochers commented on changes that have occurred in the planning during the last few months. She noted that the County had been planning for the last three years the appropriate rezoning of the territory which would become the University community. A plan has been issued and approved by the Board of Supervisors. It is now before the public. Also, the campus has been engaged in discussions with the master developer, the Lennar Company, as it has been conducting its due diligence. In the last three months workshops have been conducted to discuss such topics as market analysis, options for infrastructure, governance, and the relationship to the County and City. Lennar has submitted a preliminary financial report on the viability of the project, including a general dollar amount that it would take to invest over 30 years to build the community of up to 30,000 residents. The Office of the President and General Counsel have assisted in these analyses.

11. **PROJECT COST CLASSIFICATIONS AND SOFT COSTS**

In response to questions and concerns raised by the members of the Committee on Grounds and Buildings, information was provided on the University's standard method of displaying project costs by project phase and cost component, as well as on soft costs for UC capital projects.

Project Cost by Project Phase

Historically, the University has displayed the estimated cost of each consecutive phase of a capital project at the time when a project is presented for approval. This includes the Preliminary Plans (P), Working Drawings (W), Construction (C), and Equipment (E) phases of a project. This practice reflects State requirements for State-funded projects displaying the separate appropriation action associated with each phase of a single project over several fiscal years. It also reflects an historical process whereby State review and approvals took place on a current phase before any subsequent phase was initiated. During the initial project phase involving schematic design and design development (Preliminary Plans), and construction documents (Working Drawings), costs are comprised primarily of external consultant costs, campus administrative costs, and costs for surveys and tests. During the construction phase, the costs include the full spectrum of construction activities from site clearance to construction of a building, as well as

ongoing consultant and project management costs, construction contingencies, and interest costs during construction if appropriate.

Project Cost by Cost Component

A second way that project costs are disaggregated, displayed, and compared is by cost component, organized into the major uses of funds. This includes four major categories: (1) hard costs, including site clearance, building construction, exterior utilities, and site development; (2) soft costs, including architect and engineering fees, campus administration, surveys, and tests, and special items; (3) construction contingency; and (4) Groups 2 and 3 equipment. The Attachment provides a definition of the costs included in each of these components, as well as the line item number as referenced on UC's standard capital improvement budget.

These two ways of displaying project costs do not lend themselves to a simple reconciliation. For example, external architect and engineering fees, which is a single cost component, will be incurred during all phases of project design, construction, and equipment installation, while site development costs are just one of several construction component costs that occur during the construction phase.

Project Soft Cost

At the meeting of March 2005, The Regents requested additional information regarding the "soft costs" of University construction projects. These include the fees paid to external design professionals, campus administrative and project management costs, surveys and tests, special consultants, and financing and interest costs during construction.

Official State regulations (the State Administrative Manual) allow 13 percent of total construction hard cost (Lines 0, 1, 2, and 4) for basic services and related soft costs (Lines 5, 6, and 7). Allowable contingency (Line 9) is 5 percent for new buildings and 7 percent for renovations. Taken together then, Lines 5, 6, 7, and 9 may not exceed 18 percent to 20 percent under State regulations.

"Line 8 Special Items" are special, outside of normal parameters, and not subject to the above-mentioned 18- to 20-percent limit. They must be itemized, however, and are still constrained by State expectations. Assignment of items to Line 8 in effect increases the capacity of Lines 5, 6, 7, and 9, and so is often the subject of professional debate between campuses and the Office of the President.

These State-funded restrictions have also served as the cost guideline model for non-State-funded projects, albeit with greater flexibility afforded to campuses when budgeting their project.

12. **COST STUDY UPDATE**

It was recalled that at the September 2004 meeting, The Regents proposed a study to develop recommendations for building cost reduction opportunities. The study would begin by: 1) articulating the overarching University goals, values, and design standards for the built environment; 2) analyzing completed UC projects, focusing on the most frequently constructed building types, both current and projected to be built over the next five years, and the entire delivery process; and 3) comparing UC projects to similar California educational and research facilities, including those developed in the private sector. These activities would inform the development of recommendations for building cost reduction opportunities to be presented to The Regents at the July 2005 meeting.

To direct the study, a committee of outside experts (Committee) was formed of acknowledged leaders in their respective fields, including architects, a construction and program manager, a developer, a contractor, and an institutional owner. Assisting the Committee are professional consultants providing meeting facilitation, data collection and analysis, and report-writing services. Additionally, a group of campus and Office of the President staff (Internal Resource Group) comprised of campus budget vice chancellors, campus business and administrative vice chancellors, and Office of the President and General Counsel staff was formed to facilitate information gathering and provide staff support for the Committee.

The Committee's inaugural meeting was held in December, at which time the members discussed and approved the study's work plan and were provided with detailed background concerning UC's organizational structure, capital project approval process, contract methods, and reform proposals submitted to the California Performance Review. The Internal Resource Group also met in December to discuss the highest-level goals, values, and design standards that guide development of UC's built environment, to propose candidate facilities for the study, and to provide input regarding potential areas for cost reduction opportunities.

Subsequent to the report on the status of the study presented to the Regents at the January 2005 meeting, the Committee identified fifteen areas of inquiry holding the most promise for yielding significant cost reduction opportunities. The areas of inquiry include up-front business analysis and planning; project time lines and impact on cost escalation; internal soft costs reduction and control; project management environment and performance; senior officials' responsibility for and authority over projects; University-specific contract requirements, including risk allocation, and methods, including early subcontractor involvement and architectural team selection; initial investment versus life-cycle costs and costs of sustainable design; budget and scope creep; and incorporation of alternative design analysis and value engineering.

From among the project candidates proposed by the Internal Resource Group, the Committee selected twenty-four facilities in four categories: office and classroom, laboratories, housing, and parking. Within each category, three UC projects and three external projects were chosen. The twelve selected UC projects are located at all campuses except UC Merced and UC Santa Cruz and include projects that experienced budget augmentations. The external projects include privately developed laboratories,

housing projects, and parking structures, as well as facilities at CSU, USC, Pepperdine, and a community college. Delivery methods include traditional lump-sum bid, design-build, and construction management-at-risk. Both union and "open shop" contractors are represented among the selected projects.

Based on the fifteen areas of inquiry identified by the Committee, the Cost Consultant developed a detailed questionnaire and conducted in-depth interviews with project management teams and campus vice chancellors, and gathered cost, schedule, and process data for all the projects. The Cost Consultant presented a summary of project benchmark indicators, process attributes, and responses to the questionnaires at the Committee's February and March meetings.

The Committee has begun the work of developing findings based upon the Cost Consultant's observations and analysis, testimony from the Internal Resource Group, presentations by individual campuses and outside experts, and investigations by individual Committee members. Drawing from these findings, the Committee has also begun drafting recommendations for cost reduction opportunities. A comprehensive draft report containing findings and recommendations is to be discussed the Committee's May meeting.

The Committee went into Closed Session at 2:00 p.m.

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The meeting adjourned at 2:30 p.m.

Attest:

Secretary