The Regents of the University of California

COMMITTEE ON GROUNDS AND BUILDINGS
May 13, 2008

The Committee on Grounds and Buildings met on the above date at Covel Commons, Los Angeles campus.

Members present: Regents Allen, Bugay, Dynes, Kozberg, and Schilling; Advisory members Shewmake and Croughan

In attendance: Regents Brewer and Reiss, Regents-designate Cole and Scorza, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Provost Hume, Executive Vice President Lapp, and Recording Secretary Smith

The meeting convened at 3:10 p.m. with Committee Chair Kozberg presiding.

1. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meetings of February 26, 2008, and March 18, 2008 were approved.

2. **CONSENT AGENDA**

A. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Statewide Telemedicine Services Expansion, Universitywide***

The President recommended that the 2008-09 Budget for State Capital Improvements and the Capital Improvement Program be amended to include the following project:

Universitywide: Statewide Telemedicine Services Expansion – equipment – $10,000,000 to be funded from State funds.

B. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Health Sciences Surge Building, Riverside Campus***

The President recommended that the 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Riverside: Health Sciences Surge Building – preliminary plans – $1,747,000, to be funded from funds available to the campus.

C. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Health Sciences Graduate and Professional Housing and North Campus Housing Phase 2, San Diego Campus***

The President recommended that:

(1) The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Health Sciences Neighborhood Graduate Housing – preliminary plans – $1,500,000, to be funded from the San Diego campus' share of University of California Housing System Net Revenue Reserves.

To: San Diego: Health Sciences Neighborhood Graduate and Professional Housing – preliminary plans, working drawings, construction, and equipment — $67,100,000, to be funded from external financing ($67,000,000) and the San Diego campus' share of University of California Housing System Net Revenue Reserves ($100,000).

From: San Diego: North Campus Housing Phase 2 – preliminary plans – $3,000,000, to be funded from the San Diego campus' share of University of California Housing System Net Revenue Reserves.

To: San Diego: North Campus Housing Phase 2 – preliminary plans, working drawings, construction, and equipment — $97,685,000, to be funded from external financing ($95,000,000) and the San Diego campus' share of University of California Housing System Net Revenue Reserves ($2,685,000).

(2) The President be authorized to obtain external financing not to exceed $162,000,000 to finance the Health Sciences Neighborhood Graduate Housing and North Campus Housing 2 projects, subject to the following conditions:

a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

b. As long as the debt is outstanding, University of California Housing System fees for the San Diego 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.

(3) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

D. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Hedrick Repairs and Refurbishment, Los Angeles Campus***

The President recommended that the 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Los Angeles: Hedrick Repairs and Refurbishment – preliminary plans, working drawings, construction and equipment – $44,985,000, to be funded from the Los Angeles campus' share of University of California Housing System Net Revenue Fund reserves.

E. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Stockton Boulevard Research Center Renovation, Davis Medical Center, Davis Campus***

The President recommended that the 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Davis: Stockton Boulevard Research Center Phase II – preliminary plans, working drawings, and construction – $22,300,000, to be funded from School of Medicine reserves.

To: Davis: Stockton Boulevard Research Center Renovation – preliminary plans, working drawings, construction, and equipment – $46,972,000, to be funded from the California Institute for Regenerative Medicine, Proposition 71 grant funds ($20,082,400), and School of Medicine reserves ($26,889,600).

F. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Amendment of External Financing, Robert Mondavi Institute for Wine and Food Science, Davis Campus***

This item was withdrawn.

G. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and External Financing, Mission Bay Cardiovascular Research Building (17 A/B), San Francisco Campus***

The President recommended that:

(1) The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Francisco: Mission Bay Cardiovascular Research Building (17A/B) – preliminary plans, working drawings, and construction – $254,000,000 to be funded from gifts ($198,000,000), external financing ($42,000,000), and campus funds ($14,000,000).

To: San Francisco: Mission Bay Cardiovascular Research Building (17A/B) – preliminary plans, working drawings, and construction – $254,000,000 to be funded from gifts ($31,000,000), external financing ($209,000,000), and campus funds ($14,000,000).

Deletions shown by strikeout; additions by underscore

(2) The President be authorized to obtain external financing not to exceed ~~$42,000,000~~ $209,000,000 to finance the Mission Bay Cardiovascular Research Building (17A/B) project, subject to the following conditions:

a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

b. As long as the debt is outstanding, the San Francisco campus' share of the University Opportunity Fund and Educational Fund 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.

~~(3) The President be authorized to obtain stand-by financing not to exceed $100,000,00 and interim financing not to exceed $75,000,000, for a total of $175,000,000, prior to awarding a construction contract for any gift funds not received by that time and subject to the following conditions:~~

~~a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.~~

~~b. Repayment of any debt shall be from gift funds, if gift funds are insufficient and some or all of the debt remains outstanding, then the San Francisco campus' share of the University Opportunity Fund 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.~~

(3) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

H. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Medical Center Mission Bay Clinical Facilities, San Francisco Campus***

The President recommended that:

(1) The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Francisco: UCSF Mission Bay Hospital – preliminary plans – $34,000,000 to be funded from hospital reserves.

To: San Francisco: UCSF Medical Center Mission Bay Clinical Facilities – preliminary plans – $43,000,000 to be funded from hospital reserves.

(2) The San Francisco campus will return to the Committee on Grounds and Buildings at the September 2008 meeting for approval of working drawings, construction, and equipment funding, Design and CEQA documents.

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

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

3. **PRELIMINARY DESIGN REVIEW, MISSION BAY MEDICAL CENTER CLINICAL FACILITIES PROJECT, SAN FRANCISCO CAMPUS**

Chief Executive Officer Mark Laret recalled that he had provided an update on the overall progress on the Mission Bay Medical Center Clinical Facilities project at the March meeting and informed the Committee that the campus would return in September with a request for budget and full design approval.

Mr. Laret began by noting that there are many risks in a project of this magnitude. The campus is working to minimize risks by studying the experience of projects at UCLA and UC Irvine. It has engaged Anshen + Allen, the world's largest architectural firm dedicated to healthcare facilities, and has assembled a highly qualified project team. Mr. Laret introduced Mr. Stuart Eckblad, the Project Delivery Director, a licensed architect with over 30 years' experience in the planning, design, and construction of

hospitals. Mr. Eckblad led the construction of 11 hospitals for the Kaiser system in California under the jurisdiction of the State Office of Statewide Health Planning and Development (OSHPD) and has provided recommendations to the campus in the past. Mr. Laret then introduced Executive Director of Administration Cindy Lima. Ms. Lima serves as the primary liaison with the UCSF administration and faculty, the Office of the President, the community, and local agencies.

Ms. Lima noted that the project design has resulted from extensive collaboration among physicians, staff, community members, City agencies, families, and architects. The images she presented were schematic; materials, finishes, and colors will be selected in the upcoming design development phase.

Construction of this hospital complex will allow UCSF to fulfill several critical goals, including compliance with California seismic law, growth of inpatient and outpatient capacity at all UCSF sites, and realization of the campus' vision to develop a second major integrated clinical and research campus.

The first phase of the project will include a 183-bed children's hospital with primary and specialty outpatient facilities, a 70-bed adult cancer hospital to replace cancer surgery beds at the Mt. Zion campus, a women's hospital for cancer care, specialty surgery, and a 36-bed birth center. An energy center and a parking area with over 500 spaces will support the complex. Two further future phases are envisioned, with the construction of an outpatient cancer building and a first-phase parking structure as soon as possible, followed by an addition of up to 261 beds and expansion of outpatient services and parking.

The architectural vision seeks to express unique identities for children, women, and cancer patients within an efficient unified operation. The transformative design will advance patient safety and translational research and contribute to healing through connections to nature and sustainability.

The 14-and-a-half acre site is bordered to the north by the research campus, to the west by Interstate 280, to the south by a light industrial mixed-use neighborhood, and to the east by new biotechnology development. Benefits of the site include closeness to the research campus, downtown San Francisco, and transportation, an easy flight path over San Francisco Bay for medical helicopters, and a public park to be built in the southwest corner. Ms. Lima noted challenges as well. The brownfield site has a high water table, which makes construction below grade impractical and unaffordable. There is a plan for a public street to bisect the site.

Ms. Lima then described the existing UCSF Mission Bay research laboratory and office buildings as cubic, with simple planar surfaces, recessed elements, and horizontal massing, and light in color with green-hued glazing. The new medical center design is consistent with that of the research buildings and will incorporate the same system of signage and streetscape elements.

All the first-phase clinical buildings are located on the east parcel of the site to achieve efficiency. Surface parking on the west parcel will preserve flexibility for future development. In the second phase, a three-story building would connect the buildings on the east and west sides. The west parcel could accommodate hospital expansion of 260 beds, an additional outpatient building, and expanded parking. The medical center configuration responds to its urban context. The high-volume outpatient building and helipad are located to the north, away from the neighborhood, while the hospital is located to the south, across from a public park. Next to the residential area, the buildings are set back to provide a landscape buffer and stepped back to reduce massing. The medical center buildings are interconnected for the benefit of clinical operations and patients.

The complex comprises six stories. The hospital's four-story patient towers rise above a two-story diagnostic and treatment podium. Horizontal steel structures on the roof hide mechanical equipment and will serve to support future photovoltaic panels. Main entrances are announced by unique design elements. Ms. Lima discussed the views of the medical center, looking to the southeast across the site and to the northwest. The Third Street plaza entrance is located near a Third Street light rail transit stop.

Ms. Lima presented plan views and elevation views and described the complex as a series of appropriately scaled buildings. Then she reviewed pedestrian level views. The children's hospital, a glass cube-shaped structure, twists slightly from its building frame to evoke a sense of movement. The expression of the women's and cancer hospital entrance is based on light and transparency, with a glass-filled, six-story structure framed by stone panels. Ms. Lima further described the configuration of the outpatient building, the skyline, the articulated façades, and the Third Street entry.

The project targets LEED Gold certification. The project plan includes extensive green space, water conservation, energy conservation, non-toxic materials, daylight, and fresh air. Ms. Lima anticipated that the new medical center at Mission Bay will set a high standard. The facilities will be adaptable for evolving program needs and new technology and will provide operational and cost efficiencies.

Faculty Representative Croughan asked about the location of the helipad and neighborhood concerns. Ms. Lima responded that UCSF consulted extensively with the neighborhood and determined that moving the helipad to the north would not compromise the medical center's clinical effectiveness and would reduce noise to the south.

In response to a question asked by Professor Croughan, Ms. Lima responded that the project neighbors are happier with the northern location of the helipad, and that this location does not cause difficulties with transport of patients to the emergency or operating rooms.

In response to another question asked by Professor Croughan about the proximity of clinical space to offices, it was noted that there is not yet a definitive plan for the location of faculty office space.

Regent Allen and Regent Reiss commended the campus for the beauty of the design and its sustainability. Regent Reiss noted the development of new, more efficient climate control designs.

4. **AMENDMENT OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM AND APPROVAL OF EXTERNAL FINANCING, CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT, AND APPROVAL OF DESIGN, HELIOS ENERGY RESEARCH FACILITY, BERKELEY CAMPUS**

The President recommended that:

A. The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Berkeley: Helios Energy Research Facility – preliminary plans, working drawings, and construction – $159,400,000 total project cost to be funded from State lease revenue bonds ($70,000,000), external financing ($74,400,000), and gifts ($15,000,000).

To: Berkeley: Helios Energy Research Facility – preliminary plans, working drawings, and construction – $198,246,000 to be funded from State lease revenue bonds ($70,000,000), external financing ($113,246,000), and gift funds ($15,000,000).

Deletions shown by strike out; additions by underscore

B. The President be authorized to obtain external financing not to exceed ~~$74,400,000~~ $113,246,000 to finance the Helios Energy Research Facility project, subject to the following conditions:

(1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

(2) As long as the debt is outstanding, the Berkeley campus' share of the University Opportunity Fund and University Education Fund shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

(3) The general credit of the Regents shall not be pledged.

C. The President be authorized to obtain standby financing not to exceed $10,000,000 and interim financing not to exceed ~~$15,000,000~~ $5,000,000, for a total of $15,000,000 prior to awarding a construction contract for any gift funds not received by that time and subject to the following conditions:

(1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

(2) Repayment of any financing shall be from gift funds and as long as the debt is outstanding, the Berkeley campus' share of the University Opportunity Fund shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

(3) The general credit of the Regents shall not be pledged.

D. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

E. Upon review and consideration of the environmental consequences of the proposed project as described in the attached Environmental Impact Report, the Regents:

(1) Certify the Environmental Impact Report (EIR).

(2) Adopt the Mitigation Monitoring Program and attached Findings and Statement of Overriding Considerations.

(3) Approve the design of the Helios Energy Research Facility, Berkeley campus, revised to be consistent with the EIR Alternative 5 "Proposed Project with Alternate Access Road Alignment."

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

Committee Chair Kozberg stated that, in consultation with the Berkeley campus and Lawrence Livermore National Laboratory (LBNL), the recommendation will be amended to approve items A., B., C., and D. The Committee will defer consideration of item E. (1), (2), and (3) until a special meeting of the Committee on Grounds and Buildings to be set before May 28, 2008.

Vice Chancellor Edward Denton described the Helios building, which will include laboratory and office space for the Energy Biosciences Institute and nanostructures programs. In terms of sustainable design, the building is expected to achieve a LEED Gold rating. The proposed project is $198 million, with construction beginning in July 2008 and finishing in October 2011. Slides were shown to illustrate the building site.

The building will be immediately adjacent to existing laboratory buildings that programmatically are linked strongly to the proposed Helios building.

Associate Vice Chancellor Rob Gayle described the site, highlighting the fact that the building will serve as a bridge and connection between LBNL and the Berkeley campus. The project is designed to respond to the two main programmatic elements; one building, designed to be five stories high, will accommodate the Energy Biosciences Institute, while the other building will be lower profile to house the nanosciences portion of the program. Joining these two buildings is a public lobby and a community space that is intended to promote collaboration between researchers from Helios and adjacent buildings.

Expanding on the project's sustainability features, Mr. Gayle described how daylight will be brought deep into the office section of the building via the south facing façade. Additional sustainability elements include a green roof on the Helios section, the rightsizing of mechanical equipment, and sunshades for solar control. The finish palette is intended to be harmonious within the context of other LBNL buildings, notably the foundry. Coloration is intended to be subtle in consideration of the landscape within which the building sits, resulting in a greener cast.

Mr. Gayle explained that the increased cost of the project is primarily due to the site conditions identified after the initial budget was set, in addition to commodity costs and schedule changes. Approximately 40 percent of the augmentation of the construction costs is due to site conditions and utilities. Interest payments represent another 20 percent of the proposed augmentation.

Environmental Planner Jeff Philliber described the environmental review, and Committee Chair Kozberg called attention to the letters received from the public on the project, which were distributed to Regents prior to the meeting. Mr. Philliber stated that the project is consistent with the LBNL 2006 Long Range Development (LRDP) and Environmental Impact Report (EIR). The EIR for the project, however, is a stand-alone EIR, which again is consistent with and incorporates directly all the mitigation measures to which the Laboratory committed in its 2006 LRDP EIR. Rather than the 45-day minimum comment period for the Draft EIR required by CEQA, Mr. Philliber explained that LBNL began with a 53-day comment period and extended it in response to City and public requests to 74 days for public review. Throughout the process, LBNL and the University engaged in over 25 separate actions, meetings, and processes that exceeded what was required. These actions included agency and community outreach measures, project design collaborations and modifications, and alternative selections. The Laboratory received and responded to 32 comment letters, and a court reporter transcribed the proceedings of the public hearings held through the CEQA process, and LBNL responded to those comments as well. Finally, in response to the Laboratory's desire to avoid impacts to specimen trees, notably mature redwood trees, the project roadway was aligned, and Alternative 5 that was reviewed in the Draft EIR was selected as the new access road for the project in the Final EIR. The Final EIR also contained

further refinement and discussion stemming from the collaboration with the City and the public.

Regent Bugay noted that the affected vegetation area is approximately 4 acres, but the total acreage of LBNL is 202 acres. Since one of the most apparent visual impacts would be loss of tree vegetation, he emphasized his understanding that the campus would be replacing the trees at minimum on a two-to-one basis, and in the case of specimen trees on a three-to-one basis, resulting in many more trees than are currently on the campus and at the Laboratory.

In response to Regent Allen's request for discussion on the comments raised in the letters from the public on both the Helios and Computational Research and Theory facilities, Mr. Philliber explained that the most recurring comment received in the letters related to alternative site development analysis, in particular the Richmond Field Station, which is a University-managed property in the City of Richmond. In the Final EIR for the Helios project, a master response to this issue was included and goes into great detail regarding the process for off-site alternative development analysis. The basic problem with the Richmond Field Station as an alternative is that it fails to meet project objectives and other practical considerations. One of the key objectives and strengths of the project is proximity to the students and professors on the Berkeley campus, and to the researchers and user facilities at LBNL, which are unique in the world and instrumental for the scientists who would be using these facilities. Another important objective is the synergistic, colocational, and collaborative interactions that would take place when scientists and researchers at Helios and the surrounding buildings are in close proximity. Such circumstances are those that provide an atmosphere for conversations that lead to innovation. Other practical issues regarding alternative sites were described in the Final EIR, but proximity to UCB and LBNL was one of the primary factors.

Committee Chair Kozberg asked for comments on the issue of recirculating the EIR. LBNL Counsel Nancy Ware explained that the Helios project has been revised to include an alternative road alignment so as to avoid removing mature redwood trees. As a legal matter, no recirculation is required because there is no new information, either in comments or in the Final EIR that represents a new significant impact or a substantial increase in the severity of a significant impact.

Regent Reiss commented that because of the critical importance of a research facility focusing on renewable alternative energy, she wished to have a legal opinion regarding whether construction of the project would be delayed if a lawsuit were filed. Ms. Ware explained that unless an injunction is issued, the campus can go forward with the project, noting that an injunction is doubtful due to the thoroughness of the Final EIR and the absence of a good argument for recirculation. The alternative that LBNL and the campus are proposing with minor changes was one considered in the Draft EIR; any impact associated with it was previously analyzed and considered in that document. University Counsel Elisabeth Gunther explained that if a lawsuit were filed challenging the EIR and project, it would not stop the project unless an injunction is issued. If an injunction were issued, the campus could not proceed with the project until the litigation is resolved. If

an injunction is not issued, the campus can continue with construction at its own risk, but the risk is run that if the challenge were ultimately successful, the EIR would be invalidated and construction would be halted at that point until defects in the EIR are corrected.

At the request of Regent Reiss, Ms. Ware listed the types of claims that might be put forth against the project, including that the EIR needs to be recirculated, that the project description is inadequate, or that impacts were not analyzed; she opined that there is no good basis for any of these claims. Ms. Gunther noted that all of the claims would be brought in a single lawsuit. She agreed with Ms. Ware that the document is very thorough and that the standard for recirculation has not been met. The campus is allowed to make changes in the Final EIR in response to comments received. The comments have been thoroughly answered, and additional letters, which Ms. Gunther has reviewed, also will be thoroughly considered and responses will be provided to Regents before the campus moves forward.

Regent Allen asked if there were any Alquist-Priolo seismic implications in the project. Mr. Denton assured Regents that the Helios project was outside the Alquist-Priolo zone, which ends just beyond the stadium. Committee Chair Kozberg asked that the campus provide the distance of the Helios building from the Alquist-Priolo zone to the Committee at the next meeting.

Committee Chair Kozberg moved that the Committee approve items A., B., C., and D., and defer consideration of item E. (1), (2), and (3) until a meeting of the Committee on Grounds and Buildings that will be set before May 28, 2008. Upon a second, the Committee approved the President's recommendation as amended and voted to present it to the Board, with Regent Allen abstaining.

5. **AMENDMENT OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM AND APPROVAL OF INTERIM AND EXTERNAL FINANCING, CERTIFICATION OF THE ENVIRONMENTAL IMPACT REPORT, AND APPROVAL OF DESIGN, COMPUTATIONAL RESEARCH AND THEORY FACILITY, LAWRENCE BERKELEY NATIONAL LABORATORY AND BERKELEY CAMPUS**

The President recommended that:

A. The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Lawrence Berkeley National Laboratory (LBNL) and Berkeley campus: Computational Research and Theory Facility – preliminary plans, working drawings, and construction – $90,444,000 to be funded from external financing ($85,000,000), gifts ($5,000,000) and LBNL operating funds ($444,000).

To: Lawrence Berkeley National Laboratory and Berkeley campus: Computational Research and Theory Facility – preliminary plans, working drawings, and construction – $112,944,000 to be funded from external financing ($107,500,000), gifts ($5,000,000) and LBNL operating funds ($444,000).

Deletions shown by strikeout; additions by underscore

B. The President be authorized to obtain external financing not to exceed ~~$85,000,000~~ $107,500,000 to finance the Computational Research and Theory Facility project, subject to the following conditions:

(1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

(2) As long as the debt is outstanding, Lawrence Berkeley National Laboratory (LBNL) operating funds shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

(3) The general credit of the Regents shall not be pledged.

C. The President be authorized to obtain interim financing not to exceed $5,000,000 prior to awarding a construction contract for gift funds not received by that time and subject to the following conditions:

(1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

(2) Repayment of any financing shall be from gift funds. If gift funds are insufficient and some or all of the debt is outstanding, then the Berkeley campus' share of the Opportunity Fund shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

(3) The general credit of the Regents shall not be pledged.

D. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

E. Upon review and consideration of the environmental consequences of the proposed Computational Research and Theory Facility project as indicated in the attached Environmental Impact Report, the Regents:

(1) Certify the Environmental Impact Report.

(2) Adopt the Mitigation Monitoring Program and attached Findings and Statement of Overriding Considerations.

(3) Approve the design of the Computational Research and Theory Facility, Lawrence Berkeley National Laboratory and Berkeley campus.

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

LBNL Director Jerry O'Hearn presented the project. The Computational Research and Theory Facility is a 126,000 gross square foot facility that includes 32,000 gross square feet of high performance computing and 300 offices for National Energy Research Scientific Computing (NERSC), computational research division, and computer science and engineering. On opening day, the facility will consume approximately 7.5 megawatts of electrical power and expand to approximately 17 megawatts, similar to the size of a small or mid-sized campus. The total project budget after augmentation is $112.9 million, with preconstruction phase beginning in summer 2008 and completed by May 2011.

Mr. O'Hearn stated that the project embraces sustainability; currently the project exceeds a LEED Silver rating, but it has a goal of meeting LEED Gold. Notable sustainability features include the use of the Bay Area climate for cooling for over 90 percent of the year, allowing the energy consumption to be reduced by 62 percent compared to a traditionally cooled facility; this is equivalent to the energy consumption of 4,700 homes or 82,000 barrels of oil. The facility will have a zero discharge of storm water runoff by using best management practices, and will reduce domestic water consumption by 20 percent. The design of the building also provides for future installation of photovoltaic cells on the roof.

Mr. O'Hearn described the computational research division, stating that it, in collaboration with NERSC, is helping to solve global climate change problems by modeling biological and nano systems, astrophysics simulations, and creating more efficient combustion processes. NERSC has more than 2,500 users overseeing more than 250 projects. Currently, NERSC is located in downtown Oakland, a space it is outgrowing and exceeding the power PG&E is able to provide. It would be cost-prohibitive to expand that facility, which is one of the primary reasons the program is proposed to be relocated at LBNL. Mr. O'Hearn also emphasized that the value of the supercomputers in the facility is over $100 million.

Mr. O'Hearn showed slides to illustrate the project site, which is near the main entrance of LBNL. The landscape is characterized by sloping terrain with native grasses, eucalyptus trees, oak trees, and California bay trees. The administrative and computing science buildings are adjacent to the site; CRT's main entrance is situated close to LBNL's shuttle bus stop, and is a 10 to 15 minute walk from the UC Berkeley engineering complex. Mr. O'Hearn noted that one of the objectives of the project has been to locate the building parallel with the grain of the site and to coexist with the hill,

minimizing excavation and reducing the amount of retaining structure required. He described the floor plans, noting that the spaces can be reconfigured with changes in research teams, and showed renderings of the proposed building.

The $22.5 million requested in budget augmentation is due to scope changes, including a request from the LBNL Director that an outside air cooling approach be examined in contrast with the traditional compressor-cooled approach, with the goal to reduce energy consumption and create a more sustainable operation. In addition, the program increased its power requirements. Mr. O'Hearn explained that additional debt service can be accommodated in two ways, including the annual energy savings of approximately $1.7 million and an increase over the next five years of $10 million to the Department of Energy programs that are housed in the building. In addition, a $63 million life-cycle savings generates about a ten-year payback.

Mr. O'Hearn detailed the environmental review process, which began in 2007, noting that the project is within the scope of LBNL's 2006 Long Range Development Plan. A focused Environmental Impact Report (EIR) was prepared, and 56 days of public review were provided. The project was presented to the City of Berkeley Planning Commission and LBNL met at least six times with the City's planning department; as a result of those collaborations, the overall height of the building was lowered by approximately 34 feet. The laboratory has received and responded to 18 comment letters during public review, and no further potential significant impacts were identified; the responses to those comments were included in the Final EIR.

In response to a question from Regent Bugay regarding the additional interest during construction, Mr. O'Hearn explained that because approximately 95 percent of the project is debt financed and the laboratory is increasing the debt amount, the interest during construction will increase.

In response to a question asked by Regent Allen, Mr. O'Hearn stated that energy savings from the project may be used to pay for the additional debt service.

Committee Chair Kozberg moved that the Committee approve items A., B., C., and D., and defer consideration of item E. (1), (2), and (3) until a meeting of the Committee on Grounds and Buildings that will set before May 28, 2008. Upon a second, the Committee approved the President's recommendation as amended and voted to present it to the Board.

6. **AMENDMENT OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM, APPROVAL OF EXTERNAL FINANCING AND APPROVAL OF DESIGN, TERCERO SOUTH STUDENT HOUSING, PHASE II, DAVIS CAMPUS**

The President recommended that:

A. The 2007-08 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Davis: Tercero South Student Housing, Phase II – preliminary plans – $1,600,000 to be funded from housing reserves.

To: Davis: Tercero South Student Housing, Phase II – preliminary plans, working drawings, and construction – $55,168,000 to be funded from the Davis campus' share of University of California Housing System Net Revenues ($26,000,000) and external financing ($29,168,000).

B. The President be authorized to obtain external financing not to exceed $29,168,000 to finance the Tercero South Student Housing, Phase II project subject to the following conditions:

(1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.

(2) As long as the debt is outstanding, University of California Housing System fees for the Davis Campus shall be established at levels sufficient to meet all requirements of the University of California Housing System Revenue Bond Indenture, and to provide excess net revenues sufficient to pay the debt services and to meet the related requirements on the proposed financing.

(3) The general credit of the Regents shall not be pledged.

C. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

D. Upon review and consideration of the environmental consequences of the proposed Tercero South Student Housing, Phase II project included in the previously adopted Tercero Housing Improvement Projects Tiered Initial Study and Negative Declaration, the Committee on Grounds and Buildings recommends that the Regents:

(1) Adopt the Findings.

(2) Approve the design of the Tercero South Student Housing, Phase II, Davis Campus.

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

Chancellor Vanderhoef explained that this Tercero South student housing project is expected to be completed and ready for occupancy in about two years. It will serve

primarily first-year students, but will also allow the campus to house more transfer students and renovate or replace some existing housing.

Interim Campus Architect Clayton Halliday reviewed some key statistics of the project. It will provide 591 beds for first-year students at a total cost of $55,168,000. The three four-story buildings are scheduled for occupancy by fall 2010. Mr. Halliday stated that the project will be certified LEED Gold by the U.S. Green Building Council. Using a campus map, he showed the project location, where there is now a parking lot, and showed slides illustrating the project neighborhood and plans for a new quadrangle.

Mr. Halliday presented floor plans for the project, noting residence spaces and student study and lounge areas. He discussed how the architectural elements, materials, and colors used will harmonize with the existing Tercero student housing buildings.

In response to questions asked by Regent Bugay, Mr. Halliday confirmed that the project will be built on what is now a temporary parking lot. Currently there is not a plan to replace those parking spaces.

Regent Bugay emphasized the shortage of parking on many campuses. Vice Chancellor Meyer noted a recently adopted policy on the Davis campus of not allowing first-year students to bring cars to campus. They learn that it is possible to get around the city without a car through the campus' transportation and bicycle programs.

Regent Kozberg asked him to comment on the UCD transportation system. Mr. Meyer described two components of the system. One is Unitrans, a city-wide, student-run bus system, with student employees and mechanics, and financed by student registration fees and city transit fees, which makes 3.3 million trips annually. The other component is the bicycle system, which accounts for 25 percent of all trips in the community. It is easy to reach destinations in Davis by bicycle, and there are approximately 30 bicycle-only or pedestrian-only under- and overcrossings on campus and in the city. He identified the campus' real automobile challenge as the staff — employees who cannot afford to live in the community.

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

The meeting adjourned at 4:10 p.m.

Attest:

Secretary and Chief of Staff