

Campus Planning Committee
November 29, 2011 2:00-4:00 p.m.
Minutes

Members Present: Gary Leal, Gene Lucas, Henning Bohn, Joel Michaelsen, Marc Fisher, Ron Cortez, David Marshall, Beverly Colgate, Michael Young, Richard Watts, Linda Flegal, Harrison Weber,

Members Absent: Todd Lee, Gayle Binion, Tania Israel, Rod Alferness, Michael Witherell, Diana Dyste Anzures,

Alternates Present: Chris LaVino

I. ANNOUNCEMENTS

Senate Council on Planning & Budget Chair Leal led this meeting due to the absence of Assistant Chancellor Lee.

CPB Chair Leal provided an update on the State Capital Budget. The State has rejected the UC 2012-13 Budget for State Capital Improvements. The campus is looking at lease revenue bonds (LRBs) to fund portions of State funded projects. There have been problems with issuing LRBs due to technicalities; according to the Attorney General the interest accruing on LRBs cannot be charged back to the projects at this time. UCOP is currently investigating strategies to develop a Memorandum of Understanding (MOU) with Department of Finance that would allow payback of interest expense and enable the University to issue the LRBs. The Davidson Library is one project being delayed because the lack of a MOU. The project was scheduled to go out to bid, but has been pushed back at least a few months until a MOU is resolved. A solution may require some legislation which would not be introduced until January 2012 with approval following in March / April and final approval and signature by the Governor after that.

The site for the KITP Residence was approved through electronic ballot. The project is currently in the process of architect selection and will then progress into the DPP.

II. MINUTES

The minutes from September 27, 2011 were approved as written.

III. ACTION ITEMS

N/A

IV. DISCUSSION ITEMS

A. Funding For Capital Projects Overview – Deferred

B. Current 10-Year Plan Overview

Director Haines explained the process for establishing the 10-Year Capital Consolidated Financial Plan (CFP). The campus is obligated on an annual basis to update the capital financial plan for the next 10-year period. In the past, only a 5-year State funded program was required, this has since been expanded to the 10-year capital consolidated financial plan which captures

both the State for 10-years, and non-State for 10-years with the idea to provide Regents with a snapshot of all the capital project plans for the subsequent 10-years. The document is required by the UC Regents to activate the delegated authority process which grants the UCSB Chancellor authority on-campus to approve projects valued under \$60 million that do not include State funds. On an annual basis the Office of Capital Development refreshes the data to go before the Regents for approval in November. The capital financial plan submitted this year was approved on November 28, 2011. More detailed versions of all 10 campuses' plans can be found online at:

<http://budget.ucop.edu/capital/201121/2011-21ConsolidatedState&Non-StateCapitalFinancialPlan.pdf>

Director Haines detailed various State funded projects listed on the 10-year plan and their current statuses. The Davidson library addition and renovation project is prefunded and approved by the State however financing has not yet been allocated. It is hoped this issue will be resolved early next year, several options are being explored. Phelps Hall renovation had been previously delayed following the ESSB project, some original programming needs revisited before the project can get back on track. Phelps Hall has also been approved for State funding but financing or allowances for any bond measures have yet to be identified. Infrastructure Renewal Phase 1 is also in abeyance until a solution is established for the State funded portion of project.

Infrastructure Renewal Phase 2, Bioengineering and Campbell Hall projects were part of the UC 2012-13 Budget Request submitted to the State for the last round of financing, this packet was rejected. Due to the Budget Request being denied the campus CFP document is no longer valid and the funds identified for 2012-13 have all been deferred. The CFP will come back through the consultation loop next year; it is however still unknown if capital for state-funded projects can be secured in upcoming years. The UC will continue to promote these capital projects as they are not only good for the UC system but will result in immediate job creation and contribute to California's economy.

Director Haines gave an overview of the projects forming the Non-state funded program and the project categories within the document; General Campus, Health Sciences, Auxiliary – Parking, Auxiliary – Student Housing & Dining, Auxiliary – Student Activities, Recreation, Athletics and Auxiliary Faculty Housing. Two of the largest upcoming projects on the Non-state plan are San Joaquin Apartments & Precinct Improvements and the Institute for Energy Efficiency Building.

N.B. CFP Symbols: X-Campus Funds, LB- Loan Balance, G- Gift Funds

C. Update on Capital Needs – Administrative Services

Associate Vice Chancellor Cortez and Senior Vice Chancellor Fisher presented the space needs for administrative services. There are three major impacts that influence space needs; LRDP, system wide/campus projects (e.g. HR/PPS project) and general growth.

There is the need for an increased number of labs with support space and upgraded or new facilities for the police and fire departments. The proposed student housing project, 'Mesa Verde', will displace Design & Construction Services as well as other departments located in the facilities management yard. Space will need to be identified for these services, there is potential for service consolidation when planning for the future buildings. There will need to be consultation regarding Mesa Road reconfiguration and how these services will fit on campus.

Accounting services and control's HR/PPS project will lead to a surge in the amount of resources needed, but long-term will change the type and number of people needed. A proposed new financial system will require a surge of people to help implement and design the project. At completion there will be a need for different skill sets which will affect space needs. IT is providing more services now and requires more space in server racks. There is a lot of nexus and synergy having HR, accounting and auditing in same building. The configuration of SAASB will be reviewed to find best utilization of the building. Senior Associate Vice Chancellor Fisher detailed future needs of the Event Center, the building functions well but certain areas need improvement to be representative of a top flight university.

In the LRDP there are numerous parking lot spaces lost to buildings. These site losses over time will impact parking inventory/capacity. Right now the campus is over parked but consultation will need to begin to identify additional spaces. 3900 new spaces are planned, losing 2690 spaces due to new buildings.

D. Update on Capital Needs – Housing & Residential Services

Executive Director Brown presented the future capital needs for H&RS. Much of H&RS space needs come from anticipated student population growth and agreements made with City of Goleta and Santa Barbara County in LRDP.

Major projects to be constructed in the near future include Sierra Madre Housing, this project was originally meant to be delivered by a private developer, circumstances have changed and the project has come back to campus, the university is investigating the opportunity to develop this site independently. The site has CCC approval for 151 units for single students and faculty & staff housing. San Joaquin is a large infill project surrounding the Santa Catalina residence halls with estimated capacity for 800-1200 extra students on site. This project will cost \$150-175 million, project plans should shape up over the next few months. Planned for the future is, Mesa Verde, student housing consistent with LRDP and agreements. Mesa Verde will be located where Facilities Management (which will be relocated) operates and will likely be completed in three phases.

E. Statewide Energy Partnership Overview

Associate Director McHale provided information about what goes on behind the scenes in support of the capital plan and LRDP. It is very important to manage UCSB's energy budget; the cost of operating the campus is approximately \$1 million/month. One regulation affecting California is AB32; this looks at green house gases and reduction and requires a percentage of renewable energy to be produced by utilities. Producing energy from renewable sources is more expensive for utility companies who in turn pass that cost onto consumers (i.e. the campus). The campus budget for utilities is fixed therefore unique methods of reducing energy usage have been implemented to ensure there are no overages.

The Strategic Energy Partnership is an agreement between the UC system, CSU system and utilities that establishes a permanent framework for a sustainable, long-term, comprehensive energy management program. The partnership enables the UCOP to issue bonds, the campus uses this capital to run energy projects and the energy savings from these projects pays the debt service on the bonds.

Programs run in three year spans. For the 2013-15 timeframe example projects planned are; \$2.6 million in lighting projects with payback period of 4.8 years, a chilled water loop system, and HVAC retrofits costing \$11 million with 6.7 years pay back. Most heavy equipment has a lifetime of 20-30 years, these retrofits will also address deferred maintenance and will not only save energy but offer better environmental controls for occupants, will be better for research, and will more easily meet current/future regulations. The total cost of SEP projects is approximately \$18.74 million with cost savings of \$2.3 million/year plus utilities incentives of about \$4.3 million. The total portfolio payback period on projects is 6.1 years.

All boilers on campus use natural gas and produce emissions which are regulated by three agencies, the EPA, CARB and Santa Barbara APCD. The EPA sets standards which are adopted by the State that adds restrictions (CARB) and then are enforced at local level (SB APCD). The emission regulations that apply to the campus are Title 5 Applicability, Assembly Bill 2588, AB32, Boiler Compliance of 2016, and Net Commissions Increased Threshold.

The APCD restricts the campus to an emissions threshold of 55 lbs/day, right now the campus is at 49.7lbs/day. If the campus exceeds 55 lbs/day it is required to purchase emission offsets. It is in the Campus's best interest to reduce current emissions and plan for smart growth.

The regulatory environment is changing rapidly, in the past the university had much more autonomy but this is no longer the case. More regulations are being imposed which are more impactful on how we construct buildings. There is a need to design differently and develop alternative facilities such as hot water loops.

F. Campus Hot Water Loop – Phase 1

The campus hot water loop will run throughout the research side of campus connecting five buildings; Broida Hall, Physical Science (PSB) North, PSB South, Chemistry and Engineering II via a hot water distribution system, replacing existing boilers in Engineering II and making necessary connections and modifications to each of the building's existing heating hot water systems to work with the new system.

The buildings, with the exception of Broida Hall, will maintain a local hot water boiler system, which will allow the buildings to be isolated from the proposed loop and to operate in a standalone mode if needed. These boilers will also be able to provide supplemental heating for their respective building's in times of peak load.

Broida Hall's boilers will be abandoned in place. The proposed loop system will allow Broida Hall and Physical Sciences South to be recipients only, the boilers in the other three buildings will stage-on throughout the day and share the load placed on the system; this essentially means that boilers from three of the buildings will be able to provide heated hot water for all five buildings, reducing emissions.

Landscaping and hardscaping affected by the proposed HW loop route will be replaced in-kind. Future expansion of the project will be considered as additional phases, Phase I will include connection points for these future phases to join the heated hot water loop system.

The project will be financed 100% by SEP funding by debt issued by the UC Office of the President serviced by rebates from energy savings. A larger hot water loop project came to CPC last year as a discussion and action item, no action happened due to the project being closely tied to the bioengineering II project which was delayed. The hot water is going ahead independently

to be included in this round of SEP projects with a reduced and modified scope and without hot water pump building originally proposed.

G. Preliminary Project Proposal, Student Engagement Center

Vice Chancellor Young and Associated Students President Weber introduced the Student Engagement Center (SEC) proposal to the CPC. Over the last several years numerous student communities have approached A.S. and S.A. expressing the need for additional space.

A.S. needs space to accommodate expansion and amalgamate their current operations. Several of A.S.'s departments are in temporary and inadequate spaces. S.A. needs space for emerging communities that are currently underserved on campus and for integrated wellness programs supporting proactive mental health management. The building will also address the campus's need for 24-hour study areas.

The building would provide space for A.S. Senate chambers and offices/meeting space for several A.S. boards, committees, commissions. A permanent bike shop and a variety of services currently occupying temporary or unallocated space would also be accommodated.

The Student Affairs portion of the facility will be dedicated to wellness program activities, S.A. staff, embedded psychologists, veterans' resource center, former foster youth support facilities and multipurpose rooms for various activities including yoga, meditation, counseling groups, student organization meetings, and practice space for student performances.

The SEC will be located adjacent to the Student Resource Building (SRB) as liner building to car parking structure III. The location provides an opportunity for the project to serve as a compliment and enhancement to the SRB and become a center of activity and services for students through the partnership of A.S. and S.A.

The project will be financed by reserve funds from A.S. and S.A., combined with a proposed student fee referendum that would go on the April 2012 ballot, the fee would not be assessed until the Fall Quarter 2016. CPC action and Chancellor approval will be necessary before the project proceeds to ballot.

Academic Senate Chair Bohn raised an issue concerning the fee increase; the recent UC tuition fee increases, which were undesirable but unavoidable, have not been received well. An additional voluntary fee may be seen as controversial. If the fee is not assessed until 2016, it essentially means all students who vote on the fee increase will have graduated and the burden will be placed on the next generation of students. The fee proposal would gain more credibility if the building was prefunded at a time when the voting students can be assessed the fee to finance the building. There are various fee models that could be applied; however, Vice Chancellor Young explained there are student fee policies that include additional regulations for student referendum generated funds and how they can be spent on capital projects. More information about the project scope and financing will be provided to CPC members via an interim report.

V. INFORMATION & FOLLOW-UP ITEMS

Status Report: Special Projects Subcommittee

No report.

Status Report: Design Review Committee

The DRC continues to have regular landscape meetings, successfully moving forward with a new tree removal process. The full committee hasn't met regularly but this will change once San Joaquin becomes more active.

Status Report: Faculty & Staff Housing

First phase of North Campus Housing is complete. There are 22 units in total with 18 sold or reserved (13-14 now occupied). Phase 2 will comprise of 37 units, preconstruction has been started sufficiently and once the contract is resolved construction will begin. The project is expected to be completed within a year.

Status Report: Student Housing

Undergraduate housing is currently 300 students over capacity. This is being counterbalanced by tripling up students. The number of students choosing university accommodation suggests San Joaquin will be fully utilized.

Status Report: Major Capital Projects

Report attached.

VI. CORRESPONDENCE

Meeting adjourned at 4:00 PM.

Minutes taken by Michael McGrogan, Office of Budget & Planning