

**MINUTES OF THE  
INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS  
SUBCOMMITTEE**

Room 445 State Capitol Building  
February 5, 2014

**Members Present:** Sen. Wayne A. Harper, Co-Chair  
Rep. Gage Froerer, Co-Chair  
Rep. Jacob L. Anderegg, House Vice Chair  
Sen. Lyle W. Hillyard  
Sen. David P. Hinkins  
Sen. Scott K. Jenkins  
Sen. Peter C. Knudson  
Sen. Karen Mayne  
Sen. Kevin T. Van Tassell  
Sen. Evan J. Vickers  
Rep. Johnny Anderson  
Rep. Kay J. Christofferson  
Rep. Lynn N. Hemingway  
Rep. John Knotwell  
Rep. R. Curt Webb  
Rep. John R. Westwood

**Members Absent:** Rep. Janice M. Fisher  
Rep. Douglas V. Sagers

**Staff Present:** Mr. Mark Bleazard, Fiscal Manager  
Mr. Gary K. Ricks, Fiscal Analyst  
Ms. Cami Deavila, Secretary

**Note:** A copy of related materials and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Call to Order**

Co-Chair Froerer called the meeting to order at 2:03 p.m.

**2. Unfinished Items from Previous Meetings**

**3. Building Board Presentation on Capital Development**

Ned Carnahan, Board Chair, Building Board, reviewed the Building Board's capital development prioritization list; Weber State University Science Building, SWATC, Unified State Lab Module two, Camp Williams, Huntsman Center Primary Children's Cancer Center, Department of Human Service Admissions and Durable Housing, Utah State University Price and Brigham City, Central Utah Correction Facility. The Building Board received 27 requests and have prioritized eight.

Jeff Reddoor, Director, Building Board, informed the committee that the Department of Correction's request was reduced from \$25,991,000 to \$23 million.

Sen. Jenkins asked if Utah State University Brigham City/Price project could be split into two separate projects and does the Building Board take into consideration the economic return on projects. Mr. Carnahan stated in his opinion the project could be separated. The Building Board does not take into consideration economic impact for the region.

Co-chair Froerer asked if the prioritization list for non-state funded projects is accurate. Mr. Carnahan stated the requests seemed reasonable and the board approves.

Sen. Mayne asked if need is considered in the prioritization of projects. Mr. Carnahan explained projects are considered based on critical need, condition assessments, and maintenance. Chip Nelson, Building Board, added the board prioritizes based on the needs for the entire State.

Rep. Christofferson asked for the committee's role in approving non-state funded projects. Co-chair Froerer stated approval is needed for ongoing O&M and bonding authority.

#### **4. Non-State Funded Projects**

##### **a. U of U - Infrastructure**

Mike Perez, Associate Vice President, University of Utah Facilities Management, presented a history, status, and funding strategy for the project.

Co-chair Harper asked for clarification that around 40 percent of the universities \$17-18 million Capital Improvement budget would be going to the project and the request for O&M of \$3.9 million. Mr. Perez replied the additional O&M request would take better care of the infrastructure once it is complete. The 20 year bond would be issued this year and total debt service would be upwards of \$48 million.

Co-chair Froerer asked if the revenue bond was approved, would the request still include the \$3.9 million O&M. Mr. Perez replied the \$3.9 million would only be needed if the bond was for both the auxiliary and the State portions.

##### **b. U of U – Alumni House**

Mr. Perez explained the addition to the Alumni House and the benefits to the university in approving the project, no bonding authority or O&M funding were needed for the project.

##### **c. U of U – Lassonde Living Center**

Taylor Randall, Dean, University of Utah School of Business, explained the project required no

O&M request or State funding, but will need bonding authority. Troy D'Ambrosio, Executive Director, Lassonde Entrepreneur Institute, added the new building combines a dorm with entrepreneurial space. Mr. Lassonde has donated \$12 million, another \$3 million has been raised, and the university would need bonding authority for the remainder. The debt service and O&M would be paid with rent from students that live in the dorm.

Co-chair Harper asked for clarification that the university is asking for a \$45 million revenue bond based on the dorm being at full capacity.

**d. U of U – Crocker Science Center**

David W. Pershing, President, University of Utah, explained the need for the Crocker Science Center to the university. Gary Crocker, Crocker Science Center Donor, explained the donation commitments and functions of the science center.

Co-chair Harper asked why so much funding would be going into renovating the building. Mr. Pershing stated they are required to renovate as it is an historic site. Mr. Crocker stated the building was much more than classroom space, there are expensive laboratories. Co-chair Harper asked for clarification on why the request for O&M is much higher than other State buildings of the same size. Mr. Perez stated O&M is derived by a formula used by all State agencies. Co-chair Harper asked how the new building would differ from the university's USTAR building. Mr. Pershing stated the Crocker building will be focused undergraduate students.

Rep. Anderegg asked how much donation funding would dry up if the project was not approved, and where the project was on the prioritization list last year. Mr. Pershing stated it is a concern that donors would pull funding if there is no forward movement on the project, the project wasn't on the priority list last year. Mr. Crocker stated donors are frequently being asked to donate to other projects.

**e. USU – Tooele Science**

David Cowley, Vice President, Business and Finance, Utah State University, stated the project had previous approval but had increased in cost to \$9.8 million and \$50,000 in additional O&M. Sources of funding are Tooele City and Regional Campus and Distance Education Departmental funds.

**f. MATC – Technology Trades Building**

Clay Christensen, President, Mountainland Applied Technology College (MATC), explained the need and the request for a trades building. Utah County would provide the bond with payments being made from MATC.

Rep. Anderegg stated his support for the project.

Co-chair Harper asked for clarification on funding. Kirt Michaelis, Vice President Administrative Service, MATC, stated it was a lease/purchase agreement with Utah County Building Authority. Payments would be made with MATC appropriated funds.

**g. DPS – Driver License Building**

Carlos Braceras, Executive Director, Utah Department of Transportation, explained the request for a shared highway patrol dispatch and driver license building in Price.

Nannette Rolfe, Director, Department of Public Safety/Driver License Division, explained the Vernal project would use carry over funds of \$850,000 and \$24,000 in ongoing O&M. Chris Caras, Bureau Chief, Department of Public Safety/Driver License Division, explained concerns with the existing building.

Co-chair Harper asked how much money and from which account the carry over funds had been set aside in. Ms. Rolfe stated the Transportation Restricted Account.

Co-chair Froerer stated the Price project had previous approval and asked why it had been delayed. Mr. Braceras stated the plan hadn't been as well coordinated as it should have been before it came before the committee last year.

**5. Land Banking Requests**

**a. DSU – East Elementary**

Paul Morris, Vice President Administrative Service, Dixie State University, stated the request for \$1 million for acquiring the East Elementary property adding 7.2 acres to the campus.

Sen. Vickers stated his support for the project.

Co-chair Froerer asked if the property was under contract. Mr. Morris stated it should be under contract by Fall.

**b. Courts – Northern Utah Court**

Alyn Lunsford, Facility Director, Utah Courts, explained the request and need for purchasing land in Northern Utah at a cost of \$1.75 million and would need to be developed around 2020.

**c. DATC – Morgan**

Michael J. Bouwhuis, President in Morgan, Davis Applied Technology College, presented the land acquisition request of 9.8 acres for a cost of \$575,000.

**d. BATC – Three Parcels**

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Richard Maughan, President, Bridgerland Applied Technology College, presented the land acquisition request of 54.5 acres for a cost of \$8,175,000.

**MOTION:** Sen. Hillyard moved to adjourn. The motion passed unanimously.

Co-Chair Froerer adjourned the meeting at 4:02 p.m.

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Sen. Wayne A. Harper, Co-Chair

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Rep. Gage Froerer, Co-Chair