



Legislative Performance Audit of
State Higher Education Building Costs

UPDATE

“Recognizing that better data collected early in the process will provide for better decisions and oversight; DAS, SBB, and DFCM will develop a process to collect, evaluate, and score comprehensive and robust data prior to prioritization.”



Legislative Performance Audit of
State Higher Education Building Costs

INCLUDED DATA

“Comprehensive and robust data” will include but not be limited to:

<p>Feasibility Study Create a comprehensive standard</p>	<p>Capital Budget Estimates (CBEs) Relies heavily on available information and historical benchmarks</p>	<p>DFCM Evaluation of Criteria Set by SBB, USHE, and USTC</p>
<p>Needs Statement Provided to the SBB and included in the 5-year Book</p>	<p>Scope Statement DFCM will work with the agencies/institutions to develop a scope statement that details the end-user requirements <u>including justification for any unique elements or features considered to be out of the ordinary</u></p>	<p>Space Utilization Study Verify compliance with Board of Regents (USHE), Utah System of Technical Colleges (USTC) and State Agency standards</p>

DFM Utah Division of Facilities
Construction and Management



Legislative Performance Audit of
State Higher Education Building Costs

OTHER RECOMMENDATIONS

<p>Provide better data in the 5-year Book</p>	<p>Continue to refine and expand DFCM project cost data base and share with institutions</p>		
<p style="text-align: center;">Establish guideline for projects that exceed legislative approved cost or size</p> <hr/> <table border="1" style="width: 100%;"> <tr> <td data-bbox="386 1549 808 1808"> <p>Capital development projects that include a state appropriation for funding, O&M, or future capital improvements</p> <p>If the project exceeds the approved cost by more than 10% or by size by more than 5%, it shall be brought back to the Infrastructure and General Government Subcommittee (IGG), for recommendation</p> </td> <td data-bbox="815 1549 1237 1808"> <p>Capital development projects that are completely non-state funded and don't receive state-funded O&M or future capital improvements</p> <p>If the project exceeds the approved cost by more than 30% or size by more than 10%, it shall be brought back to the Infrastructure and General Government Subcommittee (IGG), for recommendation</p> </td> </tr> </table>		<p>Capital development projects that include a state appropriation for funding, O&M, or future capital improvements</p> <p>If the project exceeds the approved cost by more than 10% or by size by more than 5%, it shall be brought back to the Infrastructure and General Government Subcommittee (IGG), for recommendation</p>	<p>Capital development projects that are completely non-state funded and don't receive state-funded O&M or future capital improvements</p> <p>If the project exceeds the approved cost by more than 30% or size by more than 10%, it shall be brought back to the Infrastructure and General Government Subcommittee (IGG), for recommendation</p>
<p>Capital development projects that include a state appropriation for funding, O&M, or future capital improvements</p> <p>If the project exceeds the approved cost by more than 10% or by size by more than 5%, it shall be brought back to the Infrastructure and General Government Subcommittee (IGG), for recommendation</p>	<p>Capital development projects that are completely non-state funded and don't receive state-funded O&M or future capital improvements</p> <p>If the project exceeds the approved cost by more than 30% or size by more than 10%, it shall be brought back to the Infrastructure and General Government Subcommittee (IGG), for recommendation</p>		

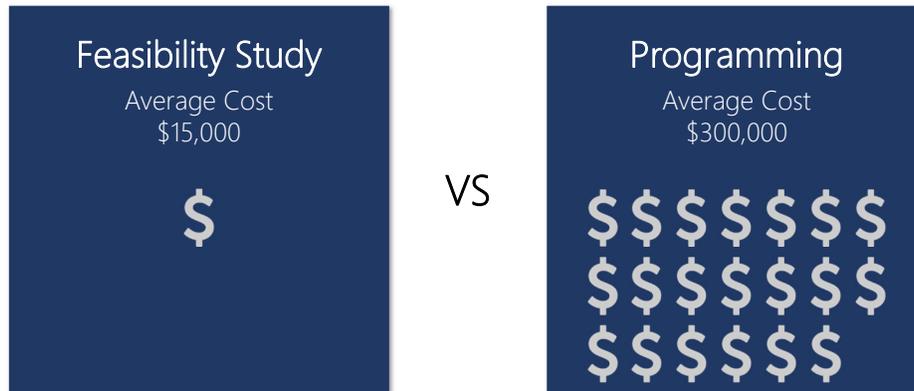
DFM Utah Division of Facilities
Construction and Management



Legislative Performance Audit of
State Higher Education Building Costs

FEASIBILITY STUDY VS PROGRAMMING

A revolving programming fund could be established for state agencies
and the technical colleges



DFIS Utah Division of Facilities
Construction and Management

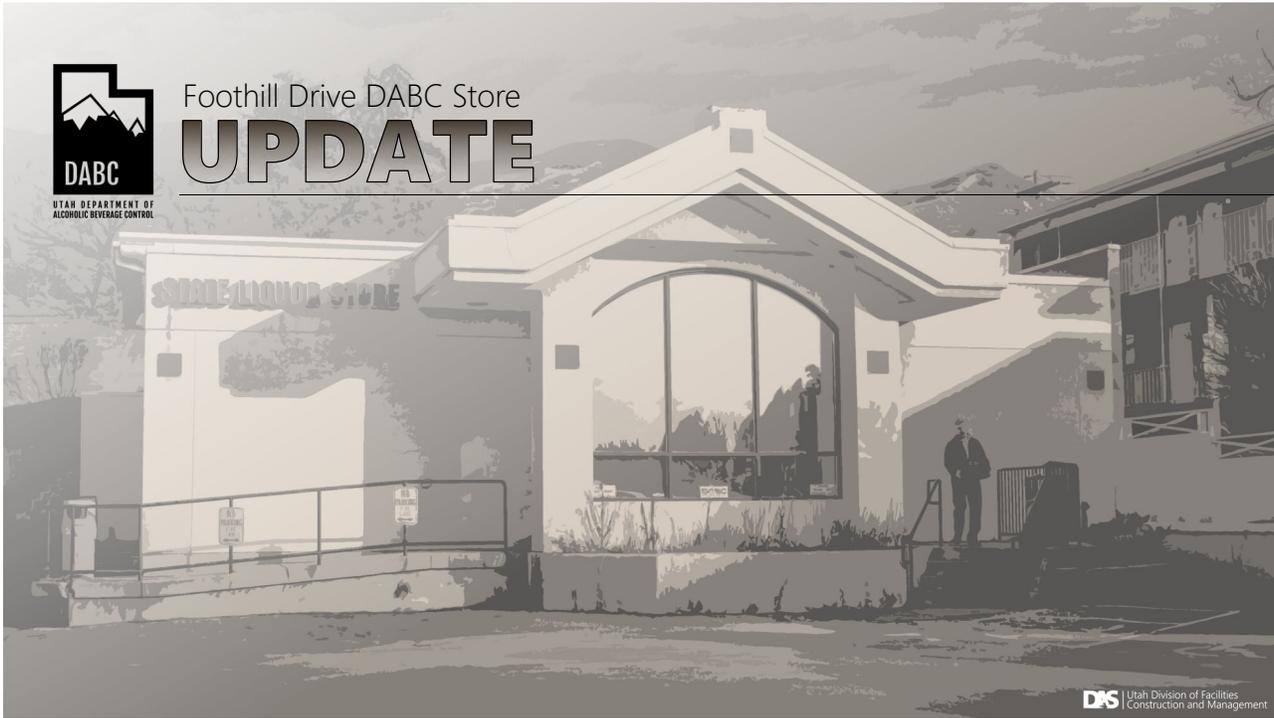


Legislative Performance Audit of
State Higher Education Building Costs

RECOMMENDATIONS

- Standards reviews with private developers
- Cost per square foot cap by building type
- Justification for any unique elements or features considered to be out of the ordinary
- Programming needs to include space utilization study to confirm the need

DFIS Utah Division of Facilities
Construction and Management





Foothill Drive DABC Store

INTENT LANGUAGE

2018 General Session HB009 Revenue Bonds and Capital Facilities Authorizations

The Legislature intends that:

(a) the State Building Ownership Authority, under the authority of *Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act*, may issue or execute obligations, or may enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to **\$8,659,000** for reconstructing the Store 4: Foothill liquor store, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt service reserve requirements;

DFAS Utah Division of Facilities
Construction and Management



Foothill Drive DABC Store

OBSTACLES



Purchase .78 acres of
land on Foothill Drive



Build a large
retaining wall



Build a two-story
building



Provide elevator and
stairway access

DFAS Utah Division of Facilities
Construction and Management



Foothill Drive DABC Store

REQUIRED BONDING AUTHORITY

\$8,659,000 Current Bonding Authorization

\$1,900,000 Increased Property Costs with Retaining Wall

\$200,000 Two-story Construction, Elevator, and Stairway

\$10,759,000 Total Required Bonding Authorization

OR

\$2,100,000 Additional Bonding Authorization

DAS Utah Division of Facilities
Construction and Management



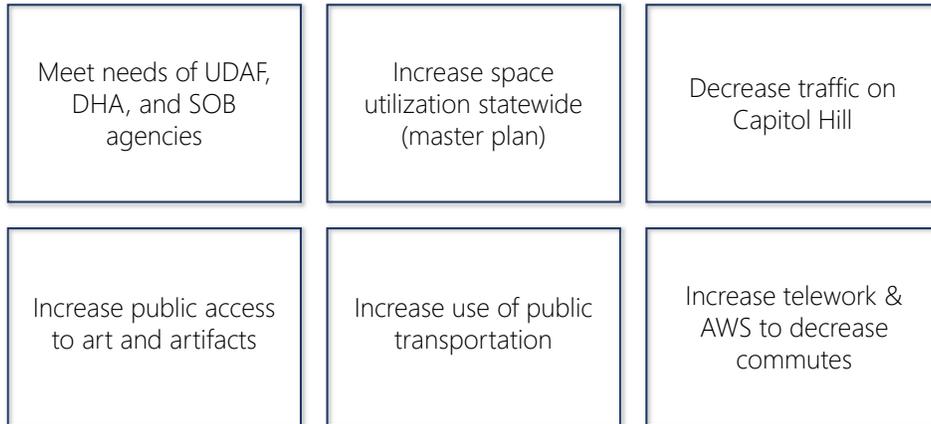
DAS Utah Division of Facilities
Construction and Management



DAS

Taylorsville State Office Building

OBJECTIVES



DAS Utah Division of Facilities
Construction and Management

DAS

Taylorsville State Office Building

COST DETAIL

	TSOB BUILDING	BUILD NEW BUILDING
Building Purchase	\$30M	\$120M
Building Renovation Phase I & II	\$47.5M	\$0
Total	\$77.5M	\$120M
AGRICULTURE BUILDING		
Building Purchase	\$0M	\$28M
Building Renovation Phase II	\$10.8M	\$0M
Total	\$10.8M	\$28M
DTS RELOCATION		
Building Purchase	\$0M	\$85M*
Building Renovation Phase III	\$2.1M	\$0M
Total	\$2.1M	\$85M*
RELOCATE STATE AGENCIES		
Building Purchase	\$0M	\$97.5M
Building Renovation Phase IV	\$17M	\$0M
Total	\$17M	\$97.5M
Total Cost	\$107.4M	\$330.5M

TSOB Building Cost Breakdown

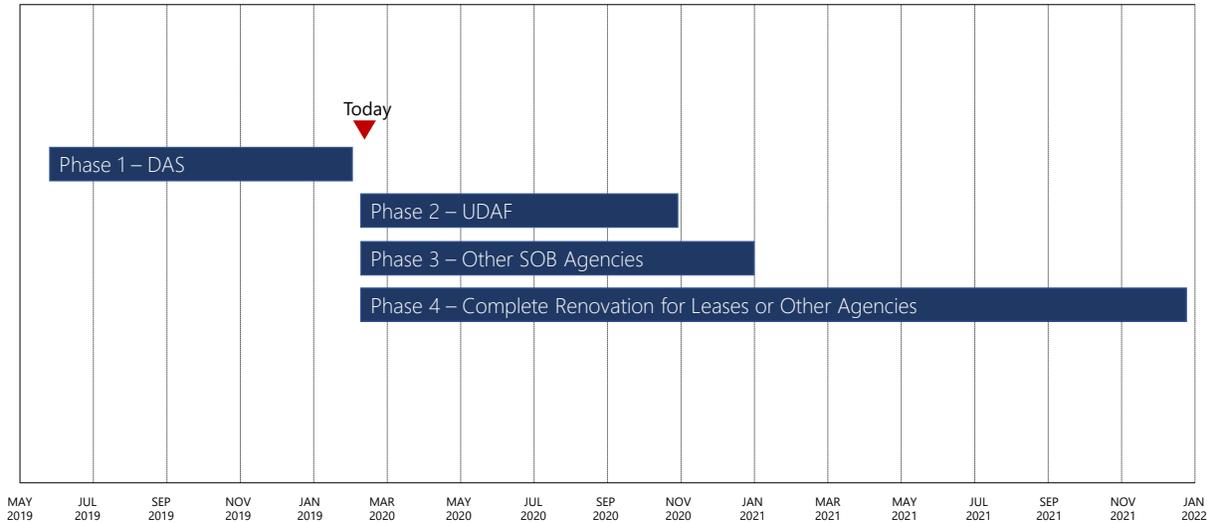
Current SOB houses 700 employees

AmEx Building can house over 1,500 employees at full capacity

* Does not include DTS moving expense

DAS Utah Division of Facilities
Construction and Management

DAS Taylorsville State Office Building
SCHEDULE

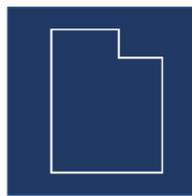


DAS Utah Division of Facilities
Construction and Management

DAS Taylorsville State Office Building
PRIOR FUNDING



American Express Building
property purchase
\$30M
Phase I & II design
\$4M
Phase I renovation
(relocated 300 SOB employees)
\$19M



State Agency Space
Utilization Master Plan
\$2M



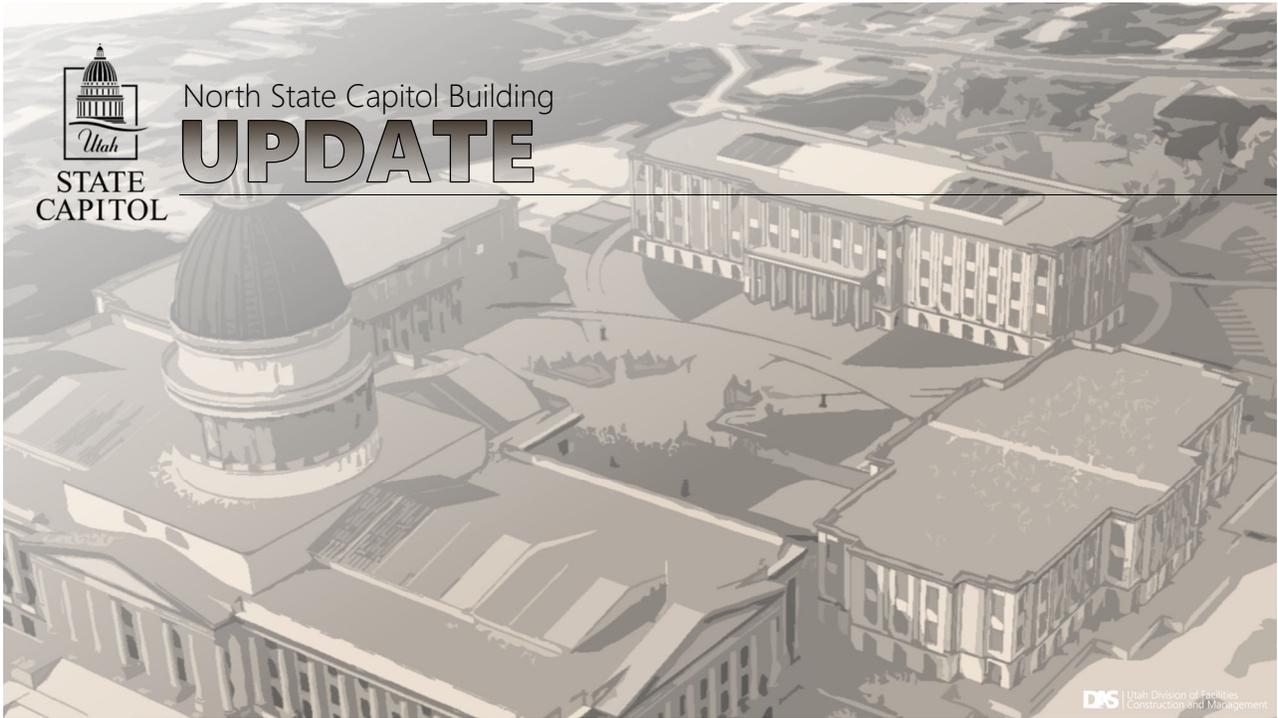
Capitol Hill Programming
including Heritage & Arts
\$1M

\$56M PRIOR FUNDING
\$54.4M TO COMPLETE RENOVATION

DAS Utah Division of Facilities
Construction and Management



DPS Utah Division of Facilities
Construction and Management



North State Capitol Building
UPDATE

DPS Utah Division of Facilities
Construction and Management



North State Capitol Building OVERVIEW



Create a space where the public feels welcome and can engage with state government without negatively impacting the neighborhood



Create a place for the story of Utah to be told, and to enable the preservation of the State's history and art

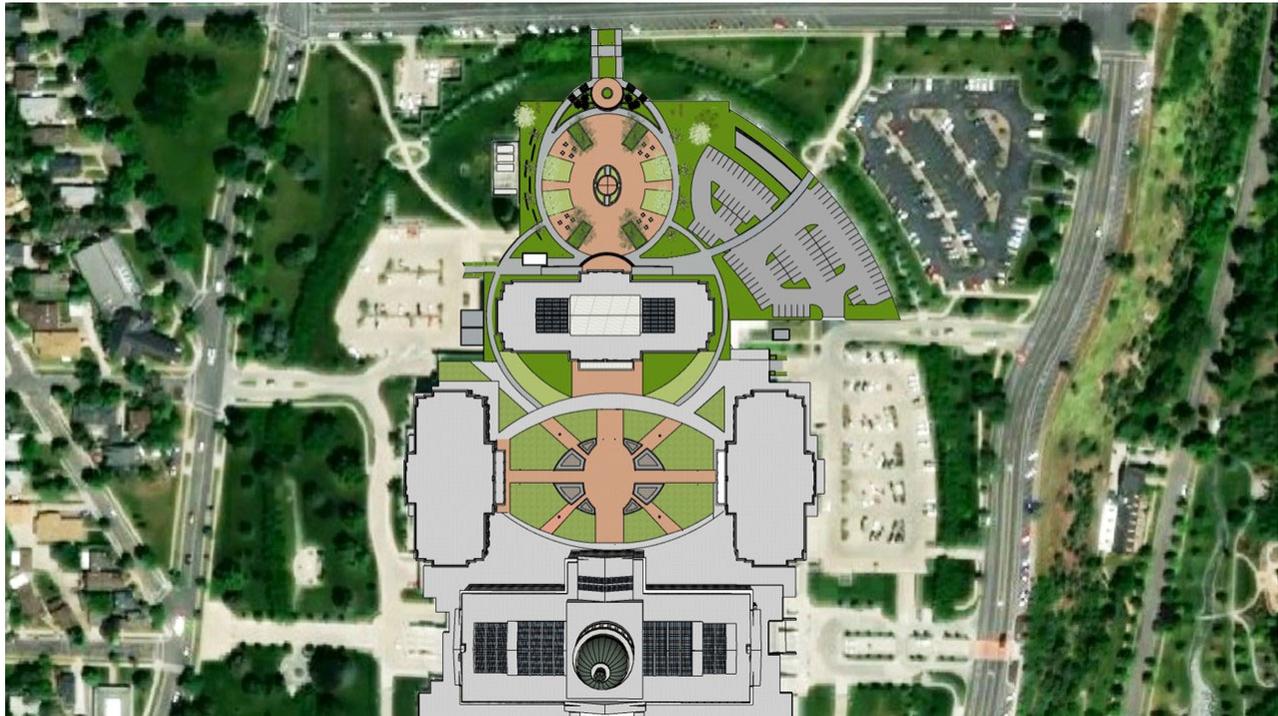


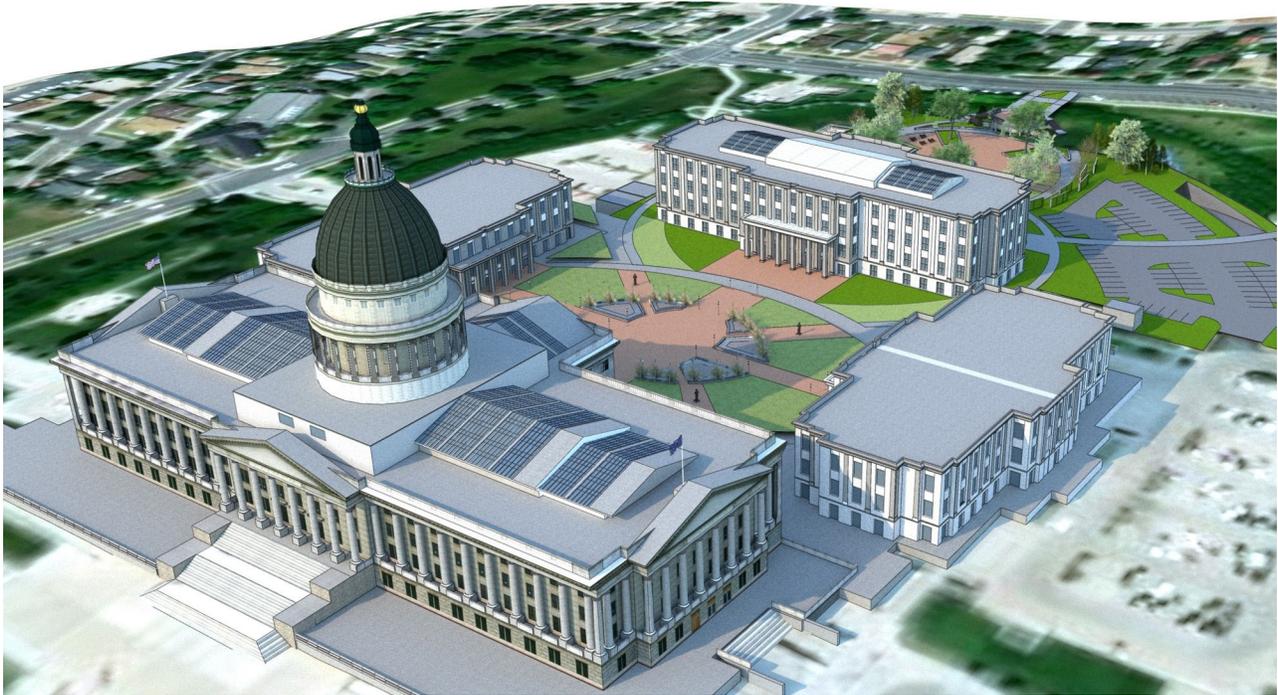
Create a new building that is architecturally cohesive with the campus, that is accessible, as well as comfortable and safe



Create a place that can accommodate the needs of the elected officials for decades to come

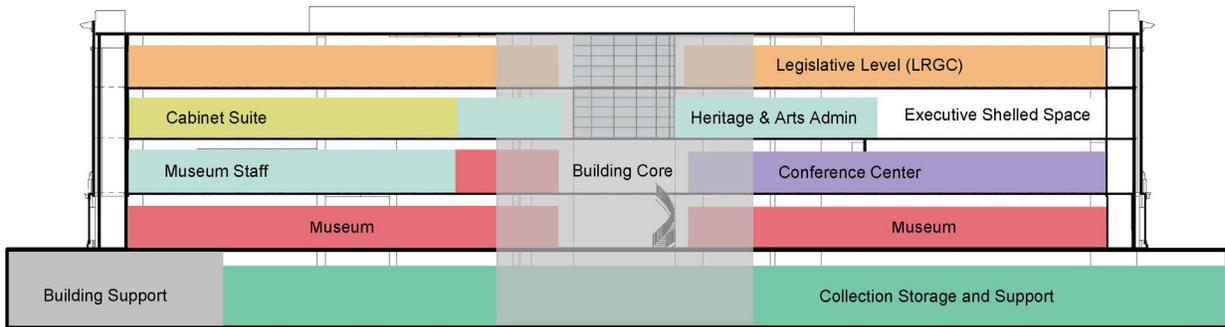
DPS Utah Division of Facilities
Construction and Management





North State Capitol Building

STACKING DIAGRAM





North State Capitol Building

BUILDING DETAILS

Building Square Feet	170,875
Parking Square Feet	136,685
Additional Parking Stalls	400

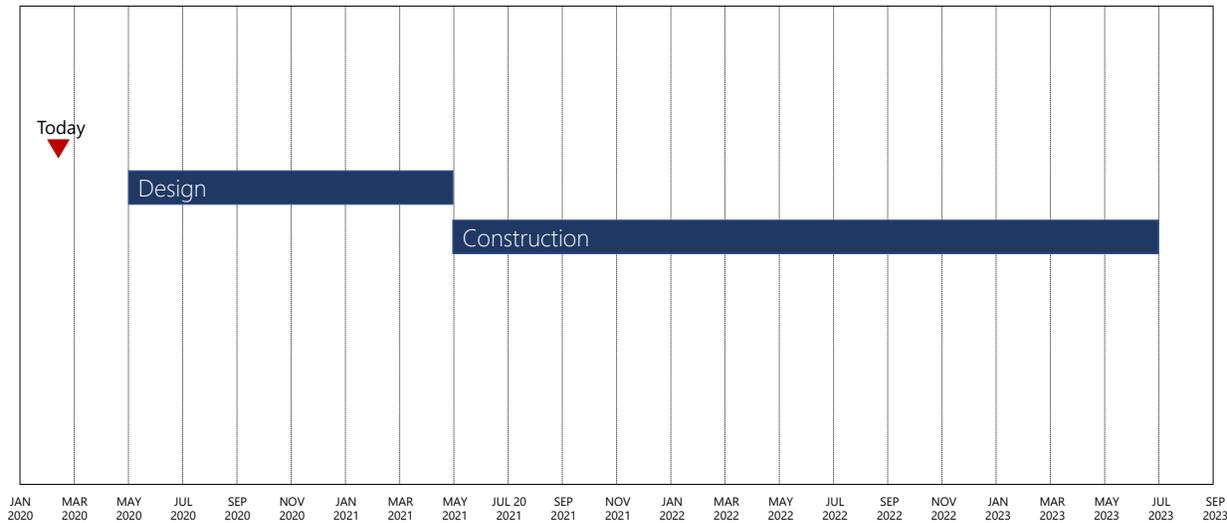
- Facade elements to match the capitol, Senate and House buildings
- Completed north capitol plaza including north entry way onto the complex
- Storage for Heritage and Arts collection (basement level)
- Museum of Utah (1st level)
- A conference center (2nd level)
- Space for DHA staff (2nd level)
- Space for additional executive branch space (3rd level)
- Space for additional legislative space (4th level)

DAS Utah Division of Facilities Construction and Management



North State Capitol Building

SCHEDULE



DAS Utah Division of Facilities Construction and Management



North State Capitol Building

COST BREAKDOWN

Initial Building Construction and Soft Costs
(This includes \$14M+ for the design and buildout of the museum)

\$171,300,000

Additional Costs Identified Since Initial Budget

Dewatering (additional Geotech required)

\$250,000

Level 4 Buildout

\$4,745,000

High-density Storage

\$3,000,000

Temporary Data Center Measures

\$975,000

Moving DHA (staff and collection)

\$491,000

TOTAL

~~-\$100,761,000~~

\$165,000,000

Does not include renovations for State Capitol, Senate, or House Buildings





Statewide Space Master Plan
OBJECTIVE

Understand current and future space needs of each agency for the next 10 years

Create plans to update space needs based on how work is accomplished

Create plans that will reduce the need for new space with a focus on the greater Salt Lake area

Create plans that will reduce leased space in favor of owned space



Statewide Space Master Plan

SCENARIO OBJECTIVES



Move to less expensive space



Reduce vacancy through consolidation



Renovate space to be more efficient and effective



Further deployment of a New Workplace (Utah Works)

DFS Utah Division of Facilities
Construction and Management



Statewide Space Master Plan

INCORPORATING A NEW WORKPLACE

Conservative

Desk Sharing Target of
1.12 people : 1 desk

DPS (Public Safety)
Tax Commission
Attorney General
DOC (Commerce)
PSC (Public Service)
Treasurer
Governors Office

Moderate

Desk Sharing Target of
1.25 people : 1 desk

DHS (Human Services)
UDOT (Transportation)
Labor Commission
DWS (Workforce Services)
DAS (Administrative Services)
DNR (Natural Resources)
UID (Insurance)

Aggressive

Desk Sharing Target of
1.38 people : 1 desk

DEQ (Environmental Quality)
DHA (Heritage & Arts)
UDOH (Health)
Financial Institutions

Tentative & Preliminary – Data and Initial Findings are Subject to Change

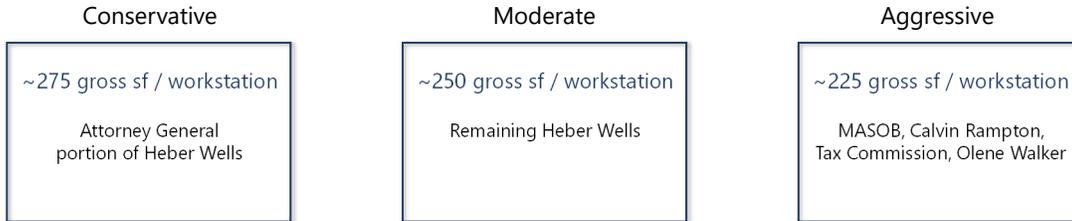
DFS Utah Division of Facilities
Construction and Management



Statewide Space Master Plan

SPACE STANDARDS: MORE EFFICIENT SPACE

For the Space Master Plan, we have preliminarily assumed new allocated space targets for office space ranging from



Tentative & Preliminary – Data and Initial Findings are Subject to Change

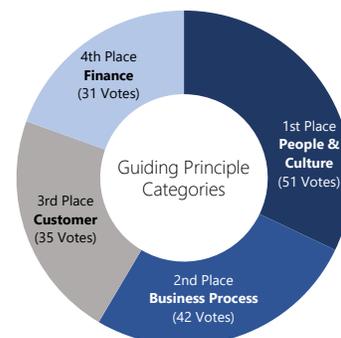
DFM Utah Division of Facilities
Construction and Management



Statewide Space Master Plan

GUIDING PRINCIPLE CRITERIA

The Most Important Planning Criteria for Agencies



DFM Utah Division of Facilities
Construction and Management



Statewide Space Master Plan

SCORING SCENARIO CRITERIA

Current Condition of Each Building, Including:

- Data From the Space Utilization Study Completed Last Year
- Most Recent FCA Data
- O&M Costs and Capital Improvement History
- Interview and Data Gathering From Agency on Needs and Growth
- Market Analysis of Real Estate Values in the Salt Lake Valley
- Benchmark Data on Typical Facility Costs (O&M and Renewal) From BOMA
- Integration with the Governor’s Utah Works Telework Initiative



Statewide Space Master Plan

PRIORITIZATION SCORING CRITERIA

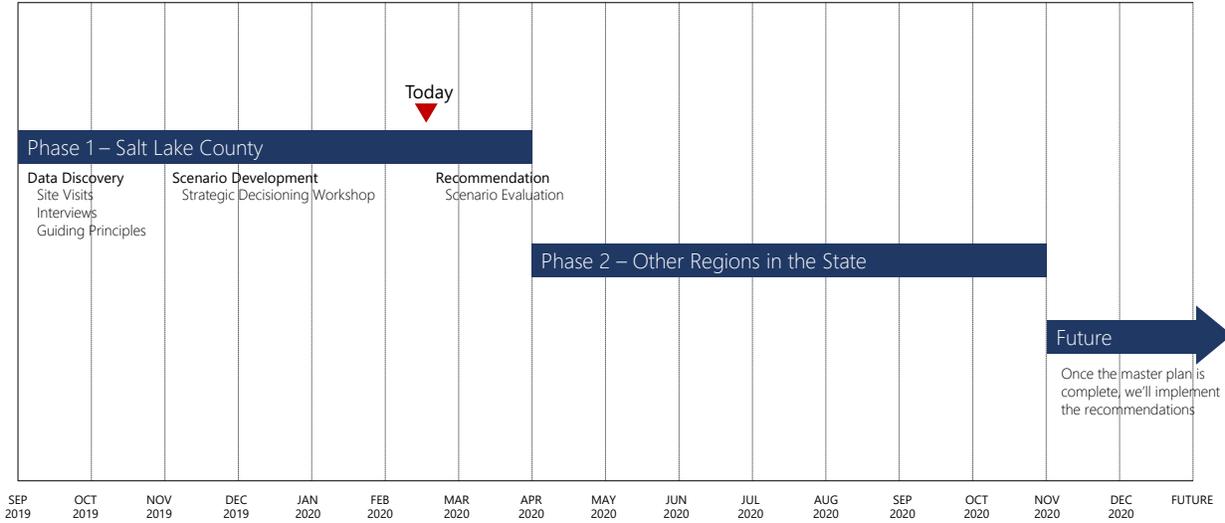
	Category weighting	Sub-Category weighting	SCENARIO EVALUATION		
			Scenario 1	Scenario 2	Scenario 3
FINANCE	35%	100%	2.1	4.0	2.9
Total Life Cycle Cost (Ongoing + Capital Costs)		50%	1	5	3
Financing & Funding Constraints (New Capital Funding Required)		30%	4	3	1
Annual Budget Impact (Cost Allocation Impact)		20%	1	4	5
PEOPLE & CULTURE	25%	100%	2.3	4.0	4.0
Attraction and Retention		40%	1	4	4
Work-Life Balance (Flexibility)		30%	3	4	4
Safety / Security		30%	3	4	4
BUSINESS PROCESS	20%	100%	2.0	4.0	4.0
Collaboration & Knowledge Sharing		35%	1	4	4
Technology Integration		35%	3	4	4
Adaptability & Flexibility		30%	2	4	4
CUSTOMER	20%	100%	3.1	3.7	3.4
Access to Services		40%	4	3	3
Ease of Doing Business		35%	3	4	4
Image of State Government		25%	2	4	3
Total Assessment	100%		2.3	3.9	3.5

Scenario Scoring	
1	LEAST FAVORABLE
2	
3	MODERATE
4	
5	MOST FAVORABLE



Statewide Space Master Plan

PLANNING PROCESS & SCHEDULE

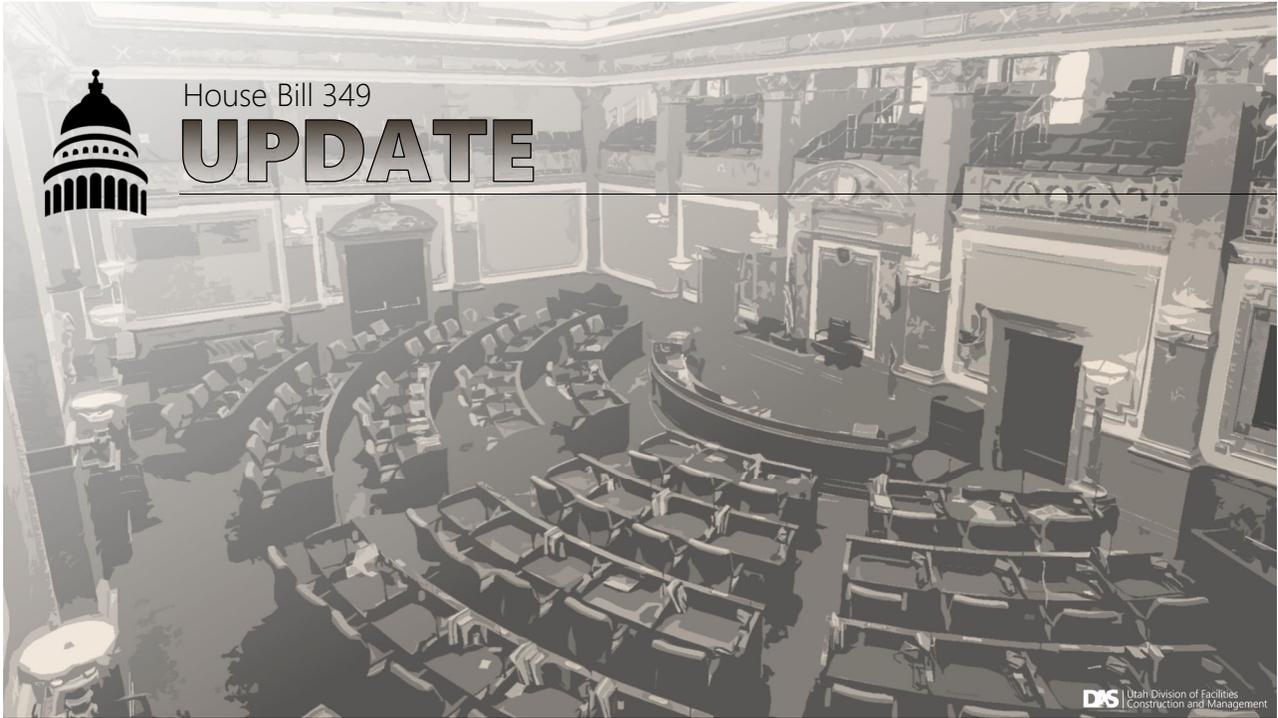


DFM Utah Division of Facilities Construction and Management



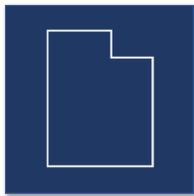
QUESTIONS

DFM Utah Division of Facilities Construction and Management



House Bill 349

QUICK FACTS



18 State Agencies



2,419 Individual Buildings



Approximately 1,400
Lease Rates



House Bill 349

RATE COMPARISON

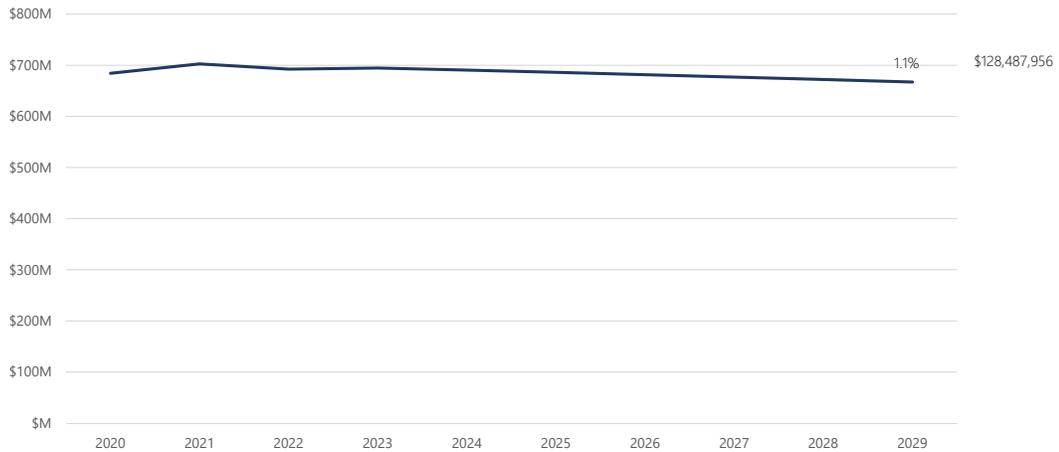
	1	2	3	4	5	6	7	8	9
	Self-reported O&M Per Ft ²	DFCM Estimated O&M Per Ft ²	1.1% C.I. Per Ft ²	1.2% C.I. Per Ft ²	1.3% C.I. Per Ft ²	Capital Renewal Per Ft ²	DFCM Lease Rate Per Ft ²	Market Lease Rate Per Ft ²	Difference Per Ft ²
Heber M Wells Building	\$8.32	\$6.98	\$2.75	\$3.00	\$3.25	\$2.39	\$12.12	\$32.00	\$19.88
National Guard Draper Complex	\$6.91	\$6.92	\$2.75	\$3.00	\$3.25	\$2.39	\$12.06	\$26.00	\$13.94
DABC Liquor Store #33	\$7.64	\$4.59	\$2.75	\$3.00	\$3.25	\$2.39	\$9.73	\$21.00	\$11.27
DHS Mountain Springs Wellness Center	\$15.85	\$7.67	\$2.75	\$3.00	\$3.25	\$2.39	\$12.81	\$28.00	\$15.19
DHS Farmington Bay Youth Center	\$13.79	\$7.67	\$2.75	\$3.00	\$3.25	\$2.39	\$12.81	\$24.00	\$11.19
Scott Matheson Courthouse	\$4.49	\$6.12	\$2.75	\$3.00	\$3.25	\$2.39	\$11.26	\$36.00	\$24.74
Utah State Prison Wasatch Admin Building	\$15.08	\$6.98	\$2.75	\$3.00	\$3.25	\$2.39	\$12.12	\$26.00	\$13.88
CUCF Administration Building	\$19.63	\$6.86	\$2.75	\$3.00	\$3.25	\$2.39	\$12.00	\$20.00	\$8.00
DNR Northern Regional	\$9.45	\$6.49	\$2.75	\$3.00	\$3.25	\$2.39	\$11.63	\$23.00	\$11.37
USDB OEC Campus	\$0.00	\$6.49	\$2.75	\$3.00	\$3.25	\$2.39	\$11.63	\$25.00	\$13.37
UDOT Hurricane Maintenance Building	\$9.01	\$3.20	\$2.75	\$3.00	\$3.25	\$2.39	\$8.34	\$16.00	\$7.66

DFM Utah Division of Facilities Construction and Management



House Bill 349

CAPITAL IMPROVEMENT BACKLOG



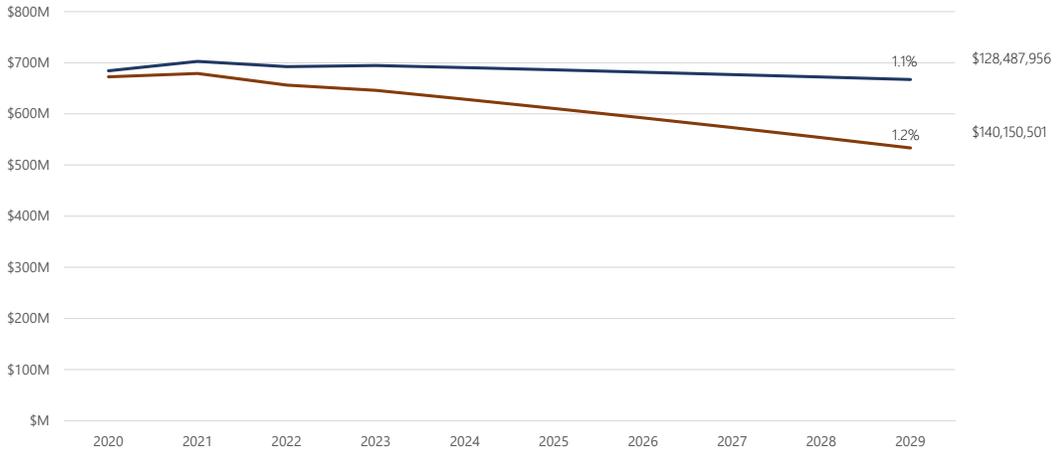
Current Deferred Maintenance Backlog of \$812,773,647 - \$128,487,956 = **\$684,285,691**

DFM Utah Division of Facilities Construction and Management



House Bill 349

CAPITAL IMPROVEMENT BACKLOG



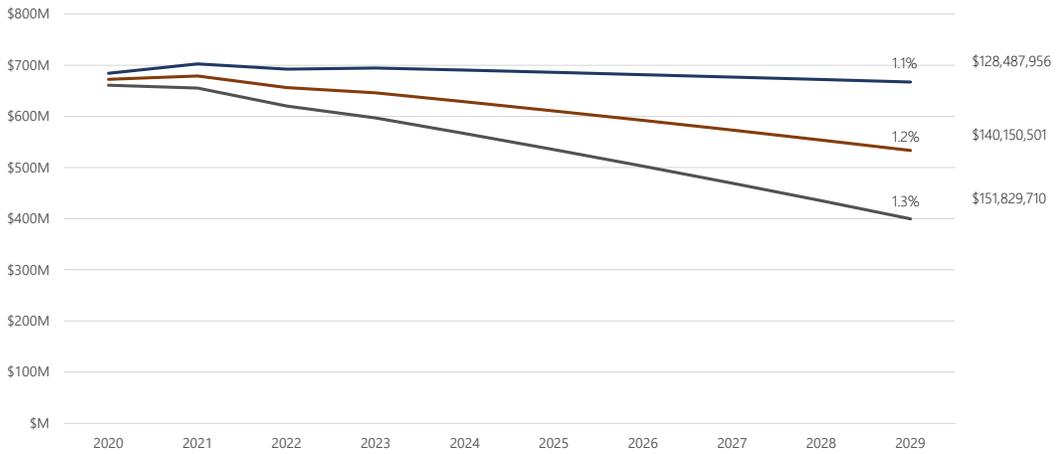
Current Deferred Maintenance Backlog of \$812,773,647 - \$128,487,956 = **\$684,285,691**

DAS Utah Division of Facilities Construction and Management



House Bill 349

CAPITAL IMPROVEMENT BACKLOG



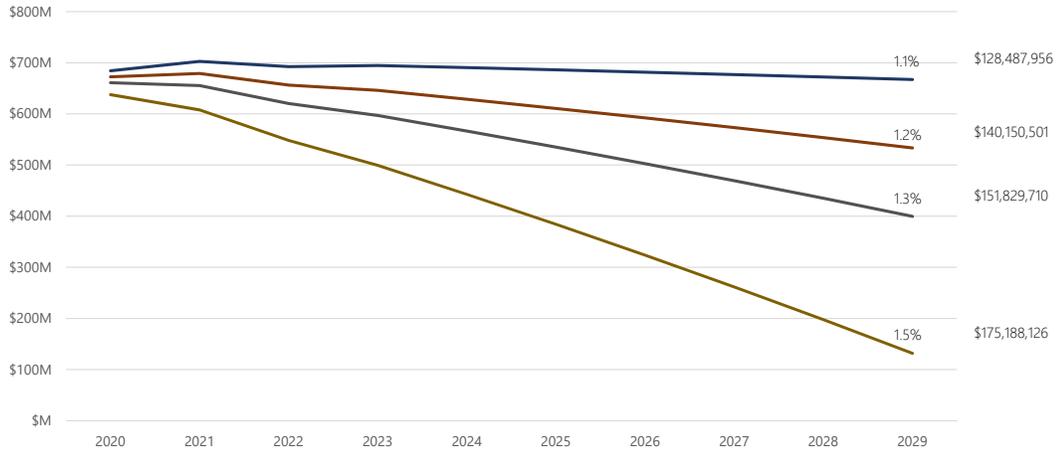
Current Deferred Maintenance Backlog of \$812,773,647 - \$128,487,956 = **\$684,285,691**

DAS Utah Division of Facilities Construction and Management



House Bill 349

CAPITAL IMPROVEMENT BACKLOG



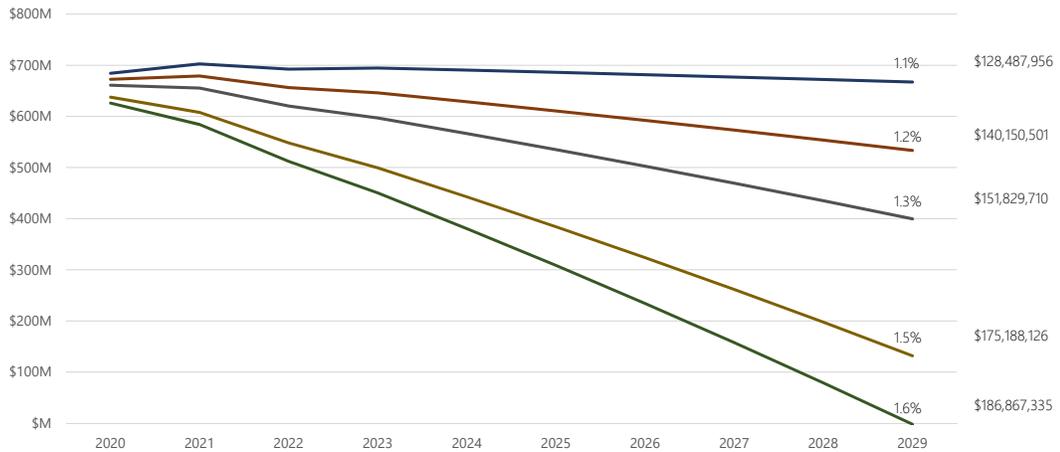
Current Deferred Maintenance Backlog of \$812,773,647 - \$128,487,956 = **\$684,285,691**

DAS Utah Division of Facilities Construction and Management



House Bill 349

CAPITAL IMPROVEMENT BACKLOG



Current Deferred Maintenance Backlog of \$812,773,647 - \$128,487,956 = **\$684,285,691**

DAS Utah Division of Facilities Construction and Management



DFM Utah Division of Facilities
Construction and Management



Senate Bill 002

PROJECT RESERVE FUNDS

2017 General Session SB002

The Legislature intends that:

any excess DFCM Project Reserve Funds or Contingency Reserve Funds, as determined by DFCM's analysis of current balances and projected needs, will be transferred to the Utah State Correctional Facility project before any other uses of these funds.

DFM Utah Division of Facilities
Construction and Management

