UNIVERSITY of HAWAI'I®
SYSTEM

Office of Capital Improvements

October 6, 2010

MEMORANDUM

TO: The Honorable Linda Lingle
Governor, State of Hawai'i

THROUGH: Honorable Georgina K. Kawamura
Director, Department of Budget and Finance

FROM: Brian K. Minaai
Associate Vice President for Capital Improvements

SUBJECT: Request Permission to Advertise for Bids and Award Construction Contract, and Release of Design, Construction, and Equipment Funds for University of Hawai'i at Mānoa, Cancer Research Center of Hawai'i, O'ahu, Project Number UH 09-R13-C, as Authorized by Act 162, Session Laws of Hawai'i 2009, as Amended and Renumbered by Act 180, Session Laws of Hawai'i 2010, Item G-96

Permission is requested for the release of $2,500,000 in special funds for the subject project.

1. This request consists of an allotment of $300,000 to finance the design cost, $1,600,000 to finance the construction cost, and $600,000 to finance the equipment cost for renovations at the University of Hawai'i at Mānoa's Biomedical Sciences Building for the Laboratory Animal Service (LAS) – Cage Wash and Vivarium Improvements project.

2. Additional information or comments:

   Project Authorization

   Act 162, Session Laws of Hawai'i (SLH) 2009, authorized a total of $236.302 million for improvements benefitting CRCH. The authorized means of financing is through a combination of special funds, revenue bonds (with debt service to be paid from the special fund), and federal funds. The source of revenue for this allotment request is special funds.

   Relationship to Other CRCH Allotments

   As noted above, the CRCH project has a total authorization of $236.302 million via Act 162, SLH 2009. There are three distinct projects that will utilize this authorization: (1) development of CRCH facilities in Kaka'ako; (2) renovations to the Biomedical Sciences Building for CRCH and Institute for Biogenesis Research (IBR), and (3) renovations to

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An Equal Opportunity/Affirmative Action Institution

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the Biomedical Sciences Building for a Cage Wash and Vivarium Improvements at the Biomedical Sciences Building.

The first project, the development of CRCH facilities in Kaka‘ako, requires a total of $168.000 million, of which $28.000 million in special funds has been allotted for planning and design via Allotment Advice Number 10-0085. The remaining balance, $140.000 million in revenue bonds, is for the construction and equipment of the Kaka‘ako facilities, and is pending allotment per University of Hawai‘i memorandum dated September 1, 2010.

The second project, renovations to the Biomedical Sciences Building for CRCH and IBR, requires a total of $6.800 million in special funds, which has been allotted for design, construction, and equipment per Allotment Advice Number 10-0134.

This allotment request, for the third project, is for $2.500 million in special funds, is for renovations at the Biomedical Sciences Building for a Cage Wash and Vivarium Improvements.

Cage Wash and Vivarium Improvements

The scope of this project includes the renovation of approximately 5,741 square feet at the Biomedical Sciences Building for the University of Hawai‘i at Mānoa’s Laboratory Animal Service. The renovations will upgrade the infrastructure of the LAS cage wash area, to improve the infection control in the animal holding floors, and to purchase individually ventilated cage racks and transfer stations to improve housing conditions, infection control, and efficiency of operations.

LAS has the responsibility for administering the Program of Human Care and Use of all vertebrate animals used for research, training, testing and other activities by the University of Hawai‘i. LAS is required by law to comply with regulations set forth by the United States Department of Agriculture Animal Welfare Act, the National Institutes of Health Public Health Services Policy on Human Care and Use of Animals, as well as other Federal, State, and local regulations. Listed below are details of the various components of this LAS project.

A. Cage Wash – The project will renovate approximately 2,500 square feet to upgrade the air conditioning system, freight elevator, and equipment. The current cage wash system’s last major renovation was in 1989. In the mid 1990’s a second hand washer was installed. Due to the age of the system, there are frequent problems and breakdowns. The risk of cross contamination is increased because there is no physical separation for clean versus soiled activities in the cage wash, and the freight

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elevator opens to all floors carrying contaminates. In addition, the ventilation in the cage wash must be renovated. There is inadequate exhaust and cooling of the room where the equipment is located. Exposure of allergens is significant in this poorly ventilated space.

B. Animal Holding Improvements – The project will construct anterooms between the entrances to the freight elevator and the animal holding suites on each floor. The anterooms will be pressurized to reduce aerosols being brought up through the elevator shaft and to allow for decontamination of people and items entering into the animal holding areas.

C. Individual Ventilated Cage Racks and Accessories – The project will replace the static shoebox style caging to individual ventilated cages. The current cages do not provide infection control. Replacing the cages will allow for lengthening the intervals between cage changes and thus reducing labor costs and also provide excellent protection against infections.

The University of Hawai‘i respectfully requests expeditious allotment of funds for this project, as it has a direct impact to federal grants that support JABSOM and CRCH.

Source of Special Funds for Cage Wash and Vivarium Improvements

Act 14, Third Special Session of 2001, Section 4, authorized the issuance of $150,000,000 in revenue bonds to finance the University of Hawai‘i Health and Wellness Center, which comprises JABSOM and CRCH. The source of funds to repay the debt service on the revenue bonds is the Hawai‘i Tobacco Settlement Special Fund. The University of Hawai‘i utilized the $150,000,000 in revenue bond proceeds to develop the JABSOM complex in Kaka‘ako, which was completed in 2002.

During the development of the JABSOM complex in Kaka‘ako, the University invested the revenue bond proceeds. The interest accrued on the revenue bonds is restricted to benefitting JABSOM and CRCH.

3. The Associate Vice President for Capital Improvements ensures that there are adequate funds currently appropriated for the design, construction, and equipment of this project, and upon completion, the project will comply with the following:

   a. All applicable Federal, State, and County laws, statutes, codes, ordinances, and rules and regulations;
   b. Educational specifications and standards for facilities; and,
   c. Americans with Disabilities Act standards.

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Department contact: Ryan Kurashige (808) 956-8216

As required, the following documents are attached:

1. CIP Project Information and Justification Sheet (Table R);
2. CIP Summary of Proposed Expenditures (CIP Form 2);
3. Allotment Advice (Form A-15); and
4. Appropriate map or site plan

RECOMMEND:

_____ APPROVAL _____ DISAPPROVAL

_____ Date: _____
Director of Finance

_____ APPROVED _____ DISAPPROVED

_____ Date: _____
Governor of Hawai‘i

Attachments

c: President Greenwood
Vice President/CFO Todo
Chancellor Hinshaw
Associate Vice Chancellor Syrmos
Ryan Kurashige

TABLE R (5/97)

CAPITAL PROJECT INFORMATION AND JUSTIFICATION SHEET

Expending Agency	UOH
Program ID	UOH 100
Project Number	R13-C

Island	Sen. District	Rep. District	Priority No.	Prev. Priority No.	Project Scope	Scope Codes	Date
O‘ahu	10	24	N/A	N/A	R	N - New I - Renovation A - Addition R - Replacement O - Ongoing	6-Oct-2010

PROJECT TITLE: UHM, Cancer Research Center of Hawai‘i, O‘ahu

PROJECT DESCRIPTION: Plans, land acquisition, design, construction, and equipment for the development of the Cancer Research Center of Hawai‘i. Project to include ground and site improvements, development and/or acquisition of building, renovations, and all project related costs. This project is deemed necessary to qualify for federal aid financing and/or reimbursement.

TOTAL ESTIMATED PROJECT COST (In Thousands of Dollars)

	PRIOR APPROPRIATIONS (Including MOF)						BUDGET REQUEST (Including MOF)		FUTURE YEARS	TOTAL PROJECT COST
	ACT YR ITEM	ACT YR ITEM	ACT YR ITEM	ACT YR ITEM	ACT YR ITEM	ACT YR ITEM				
COST ELEMENT	162-09-G96									
PLANS	1									1
LAND	1									1
DESIGN	45,000									45,000
CONSTRUCTION	174,000									174,000
EQUIPMENT	17,300									17,300
TOTALS	45,005 B 180,397 E 10,900 N									236,302

PROJECT INFORMATION AND JUSTIFICATION:

a. Total scope of project.

The scope of this project includes the renovation of approximately 5,741 square feet at the Biomedical Sciences Building for the University of Hawai'i at Mānoa's Laboratory Animal Service (LAS). The renovations will upgrade the infrastructure of the LAS cage wash area, to improve the infection control in the animal holding floors, and to purchase individually ventilated cage racks and transfer stations to improve housing conditions, infection control, and efficiency of operations.

b. Identification of need and evaluation of existing situation.

LAS has the responsibility for administering the Program of Human Care and Use of all vertebrate animals used for research, training, testing and other activities by the University of Hawai'i. LAS is required by law to comply with regulations set forth by the United States Department of Agriculture Animal Welfare Act, the National Institutes of Health Public Health Services Policy on Human Care and Use of Animals, as well as other Federal, State, and local regulations. Listed below are details of the various components of this LAS project.

c. Alternatives considered and impact if project is deferred

Should the project be deferred, the University may lose federal grants that support the John A. Burns School of Medicine and the Cancer Research Center of Hawai‘i.

d. Discuss what improvements will take place when project is completed (including benefits to be derived and/or deficiencies this project intends to correct)

Cage Wash - The project will renovate approximately 2,500 square feet to upgrade the air conditioning system, freight elevator, and equipment. The current cage wash system's last major renovation was in 1989. In the mid 1990's a second hand washer was installed. Due to the age of the system, there are frequent problems and breakdowns. The risk of cross contamination is increased because there is no physical separation for clean versus soiled activities in the cage wash, and the freight elevator opens to all floors carrying contaminates. In addition, the ventilation in the cage wash must be renovated. There is inadequate exhaust and cooling of the room where the equipment is located. Exposure of allergens is significant in this poorly ventilated space.

Animal Holding Improvements - The project will construct anterooms between the entrances to the freight elevator and the animal holding suites on each floor. The anterooms will be pressurized to reduce aerosols being brought up through the elevator shaft and to allow for decontamination of people and items entering into the animal holding areas.

Individual Ventilated Cage Racks and Accessories - The project will replace the static shoebox style caging to individual ventilated cages. The current cages do not provide infection control. Replacing the cages will allow for lengthening the intervals between cage changes and thus reducing labor costs and also provide excellent protection against infections.

e. Impact upon future operating requirements (show initial and ongoing funding requirements by cost element, including position count, means of financing, fiscal year

No increases in operating requirements are anticipated.

f. Additional information.

CIP PROJECT SUMMARY OF PROPOSED EXPENDITURES **DATE:** October 6, 2010

PROJECT: UHM, Cancer Research Center of Hawaii, Oahu **DEPARTMENTAL PRIORITY NO. ___OF_____**

TITLE: UHM, Cancer Research Center of Hawaii, Oahu **CAPITAL PROJECT No** UH 09-R13-C

	SOURCE OF FUNDS (ACT/ITEM, ACCOUNT NUMBER, FEDERAL, COUNTY, PRIVATE)							
COST ELEMENTS	Act 162/09 G-96 S09-403F	Act 162/09 G-96 S09-404F	Act 162/09 G-96 S09-405F					**TOTAL**
LAND ACQUISITION								
Land								
Consultant Services								
Staff Support								
PLANS								0
Consultant Services								
Staff Support								
DESIGN	300,000							300,000
Consultant Services								
Staff Support								
CONSTRUCTION		1,584,000						1,584,000
Basic Bid								
Alternates								
Contingency								
Consultant Services								
Staff Support								
Other Costs								
EQUIPMENT			600,000					600,000
Basic Bid								
Consultant Services								
Staff Support								
WORKS OF ART		16,000						
TOTAL PROJECT COST	300,000	1,600,000	600,000					2,500,000
ALLOTTED TO DATE*	- -	- -	- -					0
ALLOTMENT REQUEST	300,000	1,600,000	600,000					2,500,000
BALANCE	- -	- -	- -					- -
FUNDS APPROPRIATED	300,000	1,600,000	600,000					2,500,000
	1]	2]	3]					

*(AA# & DATE)		COMPLETION
PLANS:		
LAND:		
DESIGN:	this request	Jun-2011
CONST:	this request	Aug-2012
EQUIP:	this request	Aug-2012

COMMENTS:
1. Transfer in from S09-400F (L/S) $300,000 to S09-403F (D)
2. Transfer in from S09-400F (L/S) $1,600,000 to S09-404F (C)
3. Transfer in from S09-400F (L/S) $600,000 to S09-405F (E)

STATE OF HAWAII

ALLOTMENT ADVICE

TO: The Honorable M.R.C. Greenwood, President

University of Hawai‘i

ADVICE NO. _____ xxxxxxxx

COMPTROLLER'S NO. _____ xxxxxxxx

I have this day approved the following allotment from the special fund appropriation authorized by Act 162, SLH 2009, for the purpose indicated.

TC	F	YR	APP	D	ALLOT CAT	SOURCE/ OBJECT	ITEM	TITLE AND PURPOSE OF ALLOTMENT	MOF	AMOUNT	
xxx	x	xx	xxx	xx	xx	xxxx	xxxxxx	(20 x)	x	xxxxxxxxxxx	xx
								Transfer and Allotment			
473	S	09	400	F			G-96	UHM, Cancer Research Center, O‘ahu (L/S)	B	300,000	00
474	S	09	403	F			G-96	UHM, Cancer Research Center, O‘ahu (Design)	B	300,000	00
531	S	09	403	F	20		G-96	UHM, Cancer Research Center, O‘ahu (Design) Plans, land acquisition, design, construction, and equipment for the development of the Cancer Research Center of Hawaii. Purpose: To finance the design cost for renovations at the University of Hawai‘i at Mānoa's Biomedical Sciences Building for the Laboratory Animal Service (LAS) - Cage Wash and Vivarium Improvements project.	B	300,000	00
473	S	09	400	F			G-96	UHM, Cancer Research Center, O‘ahu (L/S)	B	1,600,000	00
474	S	09	404	F			G-96	UHM, Cancer Research Center, O‘ahu (Construction)	B	1,600,000	00

STATE OF HAWAII

ALLOTMENT ADVICE

TO: _____

ADVICE NO. _____ xxxxxxxx

COMPTROLLER'S NO. _____ xxxxxxxx

TC	F	YR	APP	D	ALLOT CAT	SOURCE/ OBJECT	ITEM	TITLE AND PURPOSE OF ALLOTMENT	MOF	AMOUNT	
xxx	x	xx	xxx	xx	xx	xxxx	xxxxxx	(20 x)	x	xxxxxxxxxxx	xx
531	S	09	404	F	20		G-96	UHM, Cancer Research Center, O‘ahu (Construction) Purpose: To finance the construction cost for renovations at the University of Hawai‘i at Mānoa's Biomedical Sciences Building for the Laboratory Animal Service (LAS) - Cage Wash and Vivarium Improvements project.	B	1,584,000	00
473	S	09	400	F			G-96	UHM, Cancer Research Center, O‘ahu (L/S)	B	600,000	00
474	S	09	405	F			G-96	UHM, Cancer Research Center, O‘ahu (Equipment)	B	600,000	00
531	S	09	405	F	20		G-96	UHM, Cancer Research Center, O‘ahu (Equipment) Purpose: To finance the equipment cost for renovations at the University of Hawai‘i at Mānoa's Biomedical Sciences Building for the Laboratory Animal Service (LAS) - Cage Wash and Vivarium Improvements project.	B	600,000	00

STATE OF HAWAII

ALLOTMENT ADVICE

TO: _____

ADVICE NO. _____ xxxxxxxx

COMPTROLLER'S NO. _____ xxxxxxxx

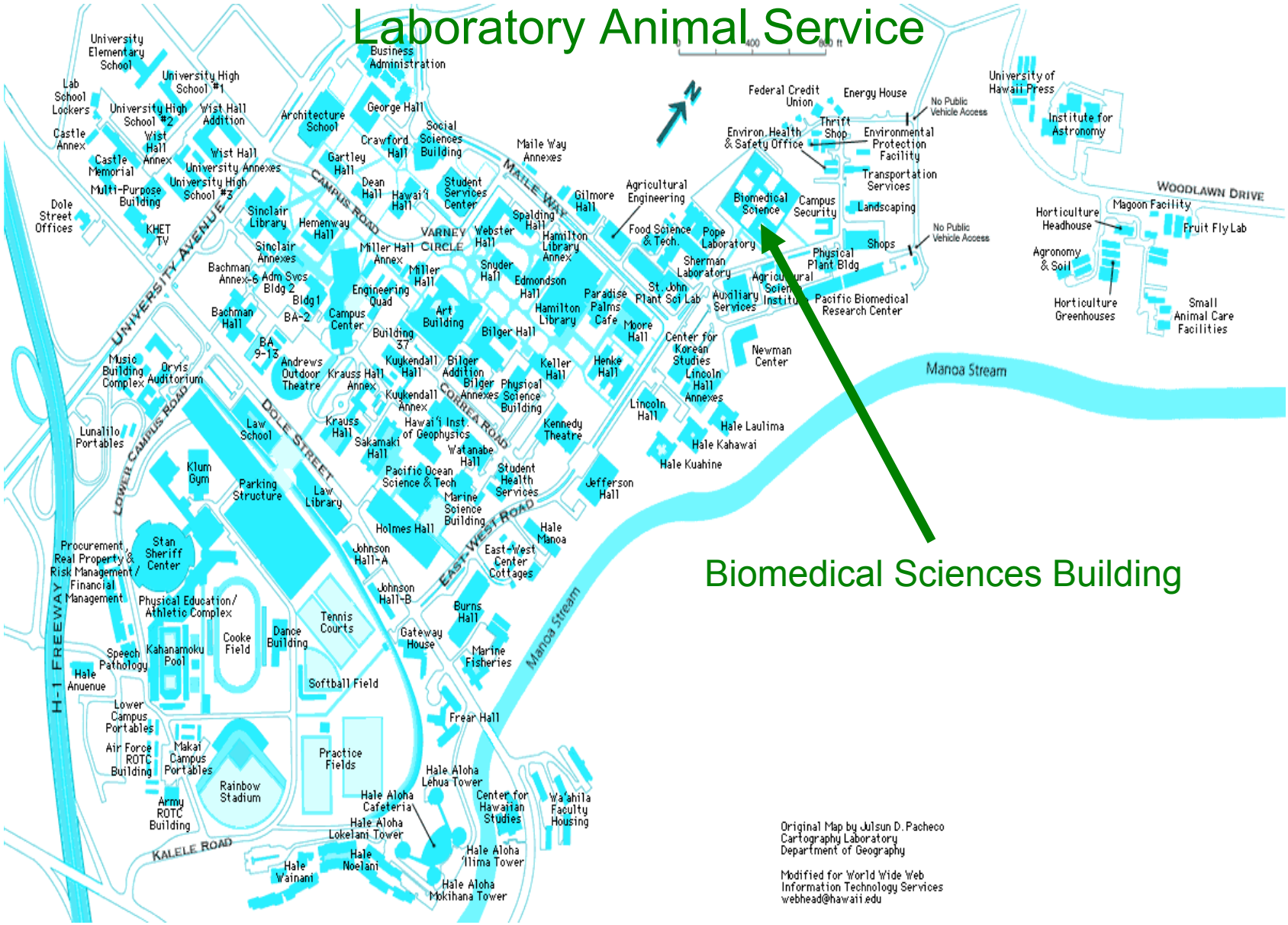
TC	F	YR	APP	D	ALLOT CAT	SOURCE/ OBJECT	ITEM	TITLE AND PURPOSE OF ALLOTMENT	MOF	AMOUNT	
xxx	x	xx	xxx	xx	xx	xxxx	xxxxxx	(20 x)	x	xxxxxxxxxxx	xx
531	S	09	404	F	20		G-96	UHM, Cancer Research Center, O‘ahu (Construction)	B	16,000	00
804	S	09	404	F		9992	G-96	UHM, Cancer Research Center, O‘ahu (Construction)	B	16,000	00
805	S	11	319	M		1994		Works of Art Special Fund Purpose: To transfer works of art funds to the Works of Art Special Fund Total Allotment - $2,500,000.00 UH Job No. 09-R13-C	B	16,000	00

_____
GOVERNOR, STATE OF HAWAII

DATE: _____

_____
DIRECTOR OF BUDGET AND FINANCE

University of Hawai‘i at Mānoa
Biomedical Sciences Building Renovation for Laboratory Animal Service



Biomedical Sciences Building