

## **MINUTES**

### **BOARD OF REGENTS COMMITTEE ON PLANNING AND FACILITIES MEETING**

**MAY 24, 2018**

#### **I. CALL TO ORDER**

Committee Chair Stanford Yuen called the meeting to order at 2:00 p.m. on Thursday, May 24, 2018, at the University of Hawai'i at Mānoa, Information Technology Building, 1<sup>st</sup> Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai'i 96822.

Committee members in attendance: Committee Chair Stanford Yuen; Committee Vice Chair Ben Kudo; Regent Lee Putnam; Regent Douglas Shinsato; Regent Ernest Wilson, Jr.

Committee members excused: Board Vice Chair Randy Moore

Others in attendance: Board Chair Jan Sullivan; Regent Simeon Acoba; Regent Brandon Marc Higa; Regent Wayne Higaki; Regent Michael McEnerney; Regent Michelle Tagorda (ex officio committee members); President/Interim UH-Mānoa (UHM) Chancellor David Lassner; Vice President for Administration Jan Gouveia; Vice President for Community Colleges John Morton; Vice President for Legal Affairs/University General Counsel Carrie Okinaga; Vice President for Academic Planning & Policy Donald Straney; Vice President for Budget & Finance/Chief Financial Officer Kalbert Young; Interim UH-Hilo (UHH) Chancellor Marcia Sakai; UH-West O'ahu (UHWO) Chancellor Maenette Benham; Executive Administrator and Secretary to the Board of Regents Kendra Oishi; and others as noted.

#### **II. APPROVAL OF MINUTES OF THE APRIL 5, 2018 MEETING**

Regent Wilson moved to approve the minutes of the April 5, 2018, meeting, seconded by Committee Vice Chair Kudo, and the motion carried unanimously.

#### **III. PUBLIC COMMENT PERIOD**

Executive Administrator and Secretary to the Board Kendra Oishi announced that the Board Office received written testimony from Debbie Ogata-Arakaki, Victor Ruthig, Celeste Yergin, Joanna Kettlewell, Eleanor Chuang, Cris Milne, and Johnathan Valdez offering comments related to the John A. Burns School of Medicine and Cancer Center Parking situation, and two individuals the signed up to give oral testimony.

The following provided oral testimony:

1. Eleanor Chuang, JABSOM postdoctoral fellow, provided oral testimony summarizing her written testimony regarding the limited availability of parking at JABSOM, and requesting help to resolve parking problems for faculty, staff, and students to ensure students can focus on studying and research, and not on parking and strained personal finances.

2. Jonathan Valdez, President-Elect of the UHM Graduate Student Organization (GSO), provided oral testimony summarizing his late written testimony regarding Kaka'ako parking that included previous surveys conducted by GSO regarding shuttle service between UHM and JABSOM; and personal stories from faculty, graduate students, medical students, and staff regarding challenges they encountered with Kaka'ako parking.

President Lassner thanked the individuals who submitted written testimony and provided oral testimony. He noted that this is a very difficult situation and their input is appreciated and helpful.

#### **IV. AGENDA ITEMS**

##### **A. For Review & Recommend Board Approval**

###### **1. Revision of November 2013 Moratorium on New Construction Projects**

As a follow-up to the November 2013 moratorium on new construction projects, VP Gouveia presented a draft resolution to implement a moratorium on new construction that results in an increase in square footage without an equivalent reduction in square footage on any campus with an overall deferred maintenance backlog greater than 10% of the replacement value of its facilities. Administration reviewed best practices across other colleges and universities that are dealing with deferred maintenance backlogs, rising construction, and facing the reality that they have more facility space than can be maintained. Many peer institutions have adopted a policy against increasing square footage on campus by living within the existing footprint or reducing it.

Questions were raised as to whether the resolution applies to the total building floor area and which campuses are below the deferred maintenance threshold. VP Gouveia confirmed that the resolution applies to total building floor area and that administration is still validating numbers, but preliminary figures indicate that Hawai'i Community College (HawCC), Kaua'i Community College (KauCC), UH Maui College (UHMC), Windward Community College (WinCC), UHH, and UH – West O'ahu (UHWO) are under the proposed threshold for deferred maintenance backlog and would not be subject to the moratorium. Honolulu Community College (HonCC), Kapi'olani Community College (KapCC), Leeward Community College (LeeCC), and UHM would be subject to the moratorium.

Questions were raised regarding how the Integrated Academic and Facilities Plan (IAFP) impacts the moratorium and how any potential conflicts between the two would be resolved. The proposed moratorium reflects the principles of the IAFP and is essentially a policy statement that provides guidance to administration on planning appropriately for capital projects. Every CIP project still requires board approval and the proposed moratorium permits exceptions to be made on a case-by-case basis as approved by the board. It was noted that not all renovation work increases square footage.

Questions were raised regarding the potential impact of the proposed moratorium on the Holmes Hall renovation and UHM new classroom building projects. VP Gouveia explained that the Holmes Hall renovation and the UHM new classroom building projects

had been planned well before the 2013 moratorium went into effect and would not be subject to the proposed moratorium. Committee Vice Chair Kudo provided background on the origins of the 2013 board-initiated moratorium. The Legislature was providing CIP funding for projects not requested by UH, but was not providing funding for deferred maintenance. The backlog was about \$500 million. The moratorium allowed UH to catch up on maintenance. Exceptions to that moratorium were made for projects that were previously approved by the board through the CIP budget process. President Lassner clarified that administration worked with the board secretary to develop and update the proposed resolution in response to what they believe is the board's intent regarding this matter.

Committee Vice Chair Kudo made a motion to approve the proposed resolution with the NOW THEREFORE, BE IT RESOLVED paragraph amended to read "...that results in an increase in *the total building or building's gross square footage...*" and the subsequent BE IF FURTHER RESOLVED paragraph be amended to read "...to achieve net-zero growth in *the total building or building's gross square footage,*" Regent Shinsato seconded the motion.

Regent Acoba thanked administration for their assistance, but indicated his concerns to the resolution based on the following reasons: board resolutions should originate from the board; the lack of correlation between a policy about net zero growth and the 10% deferred maintenance backlog threshold; and that the resolution doesn't seem to be binding if the board can grant exceptions.

There being no objections to the proposed amendments, the motion to approve the amended resolution was put to a vote and carried unanimously.

## **B. Information & Discussion**

### **1. John A. Burns School of Medicine and Cancer Center Parking Update**

VP Gouveia provided an update on the parking situation at JABSOM and Cancer Center; a chronology of Kaka'ako development; information regarding the Parking Lot C agreement that expires August 31, 2018; and three parking options under consideration.

As noted in the testimony, there are concerns about the parking rate increase and the overall availability of parking. Administration is currently consulting with the unions to address the more immediate concern about the parking rate increase. Administration will return to the board no later than August to request that a parking rate be set for the JABSOM or Kaka'ako-controlled parking lots in a manner consistent across all parking lots.

It was noted that there is no definitive timeframe for how long Hawai'i Community Development Authority (HCDA) will continue making the parking stalls in Lot C available because Stanford Carr Development was awarded development rights for Lot C. Administration is currently negotiating the notice provision for between three to six months. VP Gouveia added that UHM main campus is also experiencing a need for a parking rate increase, which is being evaluated. She anticipates UHM campus will bring

forward a request to the board seeking an increase in parking rates later this year after final evaluation and consultation with the unions.

Questions and comments were raised regarding whether there had been any discussions regarding parking with the developer of Lot C or the City and County of Honolulu; whether there are any public-private partnership opportunities; encouraging administration to look at a solution utilizing our revenue bond authority and partners; and the possibility of a joint rate for individuals who go between UHM and the Kaka‘ako area, a potential shuttle, or sustainability solutions.

Questions and comments were raised regarding whether the Special Management Area (SMA) or HCDA permits covering the entire 9.89 acres included parking requirements. VP Gouveia responded that the permits included on-site and off-site parking requirements. Nancy Foster, CFO for JABSOM indicated there had been several previous conversations with landowners in the area regarding other lots, one of whom wanted to charge market rates or lease an unpaved lot that would need to be developed; those sites have since been leased to other entities. Within the past 12 months there were discussions with landowners regarding the piano lot near Ohe Street, but that paved lot was needed for public parking.

VP Gouveia explained there has been some preliminary exploration of P3 arrangements, but the general proposition is that parking alone is not financially feasible and other business needs to occur on the lot. The estimated cost of building a parking structure is \$40,000 to \$50,000 per stall. There have been informal discussions with various agencies that have an interest in providing parking in the area, but costs are prohibitive and need to be balanced with other facilities needs. Options outside of university-owned lands are based on the goodwill of neighbors in the area. The university is exploring a number of different avenues, but so far nothing reliable or financially viable.

Deborah Huebler, Director of Campus Services indicated there was an existing shuttle paid for by parking permits. They have looked into the possibility of operating a shuttle to and from JABSOM, but it does not appear to be financially feasible. It was noted that there is not enough parking on UHM campus for all students.

#### **4. Committee Annual Review**

This item was taken out of order under no objections. Committee Chair Yuen noted that overall the committee did a pretty good job this past year, thanks to the committee members and administration, including VP Gouveia and her staff.

#### **2. FY18 Third Quarter Capital Improvement Project Status Update**

VP Gouveia provided a FY18 Third Quarter Capital Improvement Project status update as of March 31, 2018, on all FY18 major construction projects over \$5 million and major design projects over \$1 million across campuses statewide. Some of the major projects are occurring at the following locations: Coconut Island, Daniel K. Inouye College of Pharmacy at UHH, the Law School at UHM, LeeCC theater, UHWO Administration and Allied Health facility, UHM Life Sciences Building, UHM Kennedy

Theatre, UHM Saunders Hall, UHM Hamilton Library, UHM Substation M, and UHWO Creative Media facilities.

Questions were raised regarding the increase in design costs for the UHM new classroom building. VP Gouveia responded that programming and determining the scope of a project occurs before moving into the design phase. The UHM new classroom building was delayed in the programming phase, and the increase resulted when the project moved into the design phase.

Questions and comments were raised regarding the UHM microgrid and importance of improvements to campus infrastructure. The UHM Substation M project is part of the microgrid. The microgrid itself still needs to be upgraded and grid improvements are among the higher priority projects.

VP Gouveia provided clarification regarding questions related to the Warrior Recreation Center (WRC) that were raised during a legislative confirmation hearing. Water leakage resulted in damaged flooring of the WRC. There was some disagreement as to whether the water intrusion issues were a design or construction defect, which delayed repairs and has yet to be resolved. In the meantime, the facilities team implemented temporary measures to stop the water intrusion. The university received a \$1 million appropriation to repair the flooring and make other improvements, and a design-build contract was issued in 2017.

### **3. Strategic Directions 21<sup>st</sup> Century Facilities Metrics**

VP Gouveia provided an overview of the 21st Century Facilities Metrics, which will be updated to focus more on CIP and operating investments in renew, improve, and modernize (RIM) projects, monetizing real property assets through strategic partnerships, evaluating the efficiency of space utilization, and progressing towards net zero and energy efficiencies.

A comment was made regarding whether it is realistic to have a goal to eliminate the deferred maintenance backlog instead of reducing the backlog.

## **V. ADJOURNMENT**

There being no further business, Regent Wilson moved to adjourn the meeting, and Regent Shinsato seconded the motion, and with unanimous approval, the meeting was adjourned at 3:36 p.m.

Respectfully Submitted,

/S/

Kendra Oishi  
Executive Administrator and Secretary  
of the Board of Regents