

**UNIVERSITY OF ALABAMA SYSTEM
BOARD RULE 415
BOARD SUBMITTAL CHECKLIST CRITERIA**

**BOARD SUBMITTAL CHECKLIST NO. 1 & 2
CAPITAL PROJECT - STAGE I & II SUBMITTAL ^{/1}
(General information, Architect Ranking, Project Scope and Project Budget) ^{/8}**

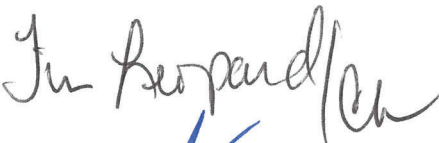

CAMPUS: The University of Alabama, Tuscaloosa, Alabama

PROJECT NAME: Campus Steam Decommissioning

MEETING DATE: November 3 - 4, 2022

- 1. Board Submittal Checklist No. 1 and 2
- 2. Transmittal Letter to Chancellor from Campus President requesting project be placed on the agendas for the forthcoming Physical Properties Committee and Board of Trustees (or Executive Committee) Meetings
- 3. Proposed Board Resolution requesting approval of Stage I and II Submittal (General Information, Architect Ranking, Project Scope and Project Budget; authority to proceed with Owner/Architect contract negotiations) by the Board of Trustees
- 4. Executive Summary – Proposed Capital Project ^{/2}
- 5. Executive Summary – Architect, Engineer, Selection Process (include Interview Outline). ^{/3, /4, /5}
- 6. Supplemental Project Information Worksheet – Exhibit “K”, Board Rule 415
- 7. Campus letter requesting approval of the ranking of firms and authority to Submit to the Physical Properties Committee for approval – signed by Chair of the Physical Properties Committee and UA System Senior Vice Chancellor for Finance and Administration ^{/6}
- 8. Preliminary Business Plan (if applicable) ^{/7}
- 9. Campus map(s) showing project site

Prepared by: Steven Mercado

Approved by: 


^{/1} Reference Tab 3H – Board Rule 415 Instructional Guide
^{/2} Reference Tab 3E – Board Rule 415 Instructional Guide
^{/3} Reference Tab 3K – Board Rule 415 Instructional Guide
^{/4} Reference Tab 3L – Board Rule 415 Instructional Guide
^{/5} Reference Tab 3M – Board Rule 415 Instructional Guide
^{/6} Reference Tab 3N – Board Rule 415 Instructional Guide
^{/7} Reference Tab 3V – Board Rule 415 Instructional Guide
^{/8} After Completion of negotiations on Owner/Architect Agreement, provide notification to Chair of Physical Properties Committee and Senior Vice Chancellor for Finance & Administration, Reference Tab 3-O-Board Rule 415, Instructional Guide

THE UNIVERSITY OF
ALABAMA® | Office of the
President

September 30, 2022

Chancellor Finis E. St. John, IV
The University of Alabama System
500 University Boulevard East
Tuscaloosa, Alabama 35401

Dear Chancellor St. John,

I am pleased to send to you for approval under Board Rule 415 the attached documents for a Stage I and a Stage II submittal for the Campus Steam Decommissioning project.

The resolution requests authorization to establish a preliminary scope, budget, and funding for the project as stipulated and to enter into an Owner Designer Agreement with HHB Engineers, P.C., Prattville, Alabama, as the principal design firm for this project.

The item has been thoroughly reviewed and has my endorsement. With your concurrence, I ask that it be added to the agenda for The Board of Trustees at their regular meeting on November 3-4, 2022.

Sincerely,



Stuart R. Bell
President

Enclosure



RESOLUTION

CAMPUS STEAM DECOMMISSIONING

WHEREAS, in accordance with Board Rule 415, The University of Alabama (“University”) is requesting approval from the Board of Trustees of The University of Alabama (“Board”) for a Stage I submittal for the Campus Steam Decommissioning project (“Project”); and

WHEREAS, as part of the University's master plan for thermal energy distribution, the University has previously completed the East Quad Energy Plant, the interconnection of the system with the Shelby Energy Plant and numerous building connections and the Campus Energy Delivery Optimization project; and

WHEREAS, this Project will allow for the remaining buildings on the steam system to be served by the addition of local boilers or the connection to the central thermal system as necessary to allow the decommissioning of the steam plant and distribution system; and

WHEREAS, the Project will include scope at multiple locations across the University campus including B.B. Comer Hall, Bureau of Mines #1, Bureau of Mines #2, Bureau of Mines #4, ten Hoor Hall, Foster Auditorium, Reese Phifer Hall, Hardaway Hall, Rowand-Johnson Hall and East Quad Energy Plant; and

WHEREAS, as part of the University's master plan for thermal energy distribution, the University will decommission the B.B. Comer Hall Steam Plant at the completion of this Project as a separate project at that time; and

WHEREAS, the Project has been separated into two (2) construction packages: Package A – Campus Steam Decommissioning 2023 (“Package A”), which will remove B.B. Comer Hall, Bureau of Mines #1, Bureau of Mines #2, Bureau of Mines #4, and ten Hoor Hall from the campus steam system; and Package B – Campus Steam Decommissioning 2024 (“Package B”), which will remove Foster Auditorium, Reese Phifer Hall, Hardaway Hall, and Rowand-Johnson Hall from the campus steam system as well as add a new boiler to the East Quad Energy Plant; and an Owner Furnished Contractor Installed Equipment package to mitigate scheduling impacts of long-lead items; and

WHEREAS, HHB Engineers, P.C., of Prattville, Alabama (“HHB”), has successfully executed several steam and boiler conversions on Campus and was previously engaged by the University to perform a study on campus

steam decommissioning, and therefore have a detailed understanding of the University's steam system infrastructure locations, configurations and interim operational requirements; and

WHEREAS, HHB's knowledge of equipment requirements, University standards, design principles, and procedures will facilitate an efficient and cost-effective design and administrative process; and

WHEREAS, as HHB is committed to completing the designs by the end of 2022, allowing the project to bid in January 2023 and construction to begin with the utmost expediency to finish by the desired dates of Fall 2023 for Package A and Fall 2024 for Package B, the University is requesting approval to waive the Consultant Selection Process and to utilize the engineering design services of HHB for the Project; and

WHEREAS, the University has negotiated a final design fee based on 6.6% of Package A and the OFCI Equipment Package and 6.2% of Package B, plus a 1.14 renovation factor, plus \$37,050 in additional services and reimbursable expenses, and less a discount in the amount of \$20,000, representing a significant savings to the University of approximately 11% of the standard fee; and

WHEREAS, the Project locations and program have been reviewed and are consistent with the University Campus Master Plan, University Design Standards, and the principles contained therein; and

WHEREAS, the Project will be funded from University Central Reserves in the amount of \$12,610,000 and will address campus deferred maintenance liabilities in the amount of \$80,000,000; and

WHEREAS, the preliminary budget for the Project is as stipulated below:

BUDGET:	PRELIMINARY
Construction – Package A Campus Steam Decommissioning 2023	\$ 2,922,000
Construction – Package B Campus Steam Decommissioning 2024	\$ 6,978,000
Owner Furnished Contractor Installed Equipment – Rooftop DX Units	\$ 200,000
Telecommunication/Data	\$ 50,000
Contingency* (10%)	\$ 1,010,000
UA Project Management Fee** (3%)	\$ 333,300
Architect/Engineer Fee*** (~7.4%)	\$ 745,154
Commissioning	\$ 50,000
Other****	\$ 321,546
TOTAL PROJECT COST	\$ 12,610,000

*Contingency is based on 10% of the costs of Construction Packages and Owner Furnished Contractor Installed Equipment.

**UA Project Management Fee is based on 3% of the costs of Construction Packages, Owner Furnished Contractor Installed Equipment and Contingency.

***Architect/Engineer Fee is based on 6.6% of the costs of Construction - Package A and the OFCI Equipment, 6.2% of the costs of Construction – Package B, plus a 14% renovation factor, plus \$37,050 of additional services and reimbursable expenses, and less a credit of \$20,000.

****Other expenses include Construction Materials Testing, Inspections, Advertising, Printing, and other associated project costs as applicable.

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that:

1. The Stage I submittal package for the Project is hereby approved.
2. The preliminary budget and funding for the Project as stipulated above are hereby approved.

ALSO, BE IT FURTHER RESOLVED THAT, Stuart R. Bell, President; Matthew M. Fajack, Vice President for Finance and Operations and Treasurer; or those officers named in the most recent Board Resolution granting signature authority for the University be, and hereby are, authorized for and on behalf of the Board to execute an owner designer agreement with HHB Engineers, P.C., of Prattville, Alabama, for engineering services in accordance with Board Rule 415 for the Project.

**EXECUTIVE SUMMARY
PROPOSED CAPITAL PROJECT
BOARD OF TRUSTEES SUBMITTAL**

MEETING DATE: November 3 - 4, 2022

CAMPUS: The University of Alabama, Tuscaloosa, Alabama

PROJECT NAME: Campus Steam Decommissioning

PROJECT NUMBER: UTL-23-3022

PROJECT LOCATION: B.B. Comer Hall, Bureau of Mines #1, Bureau of Mines #2, Bureau of Mines #4, ten Hoor Hall, Foster Auditorium, Reese Phifer Hall, Hardaway Hall, Rowand-Johnson Hall, and East Quad Energy Plant

ARCHITECT: HHB Engineers, P.C., pending approval

THIS SUBMITTAL:	PREVIOUS APPROVALS:
<input checked="" type="checkbox"/> Stage I	
<input checked="" type="checkbox"/> Stage II - CSPW	
<input type="checkbox"/> Campus Master Plan Amendment	
<input type="checkbox"/> Stage III	
<input type="checkbox"/> Stage IV	

PROJECT TYPE	SPACE CATEGORIES	PERCENTAGE	GSF
<input type="checkbox"/> Building Construction			
<input type="checkbox"/> Building Addition	Campus Infrastructure &		
<input checked="" type="checkbox"/> Building Renovation	Utility & Mechanical	100%	N/A
<input type="checkbox"/> Equipment			
TOTAL		100%	N/A

BUDGET	Preliminary
Construction – Package A – Campus Steam Decommissioning 2023	\$ 2,922,000
Construction – Package B – Campus Steam Decommissioning 2024	\$ 6,978,000
Owner Furnished Contractor Installed Equipment	\$ 200,000
Telecommunication/Data	\$ 50,000
Contingency* (10%)	\$ 1,010,000
UA Project Management Fee** (3%)	\$ 333,300
Architect/Engineer Fee*** (~7.4%)	\$ 745,154
Commissioning	\$ 50,000
Other****	\$ 321,546
TOTAL PROJECT COST	\$ 12,610,000
Construction Cost per square foot: N/A	

*Contingency is based on 10% of the costs of Construction Packages and Owner Furnished Contractor Installed Equipment.

**UA Project Management Fee is based on 3% of the costs of Construction Packages, Owner Furnished Contractor Installed Equipment and Contingency.

***Architect/Engineer Fee is based on 6.6% of the costs of Construction – Package A and OFCI Equipment, 6.2% of the costs of Construction – Package B, a 1.14 renovation factor, plus additional services and reimbursable expenses of \$37,050, and minus a credit of \$20,000.

****Other expenses include Construction Materials Testing, Inspections, Advertising, Printing, and other associated project costs, as applicable.

ESTIMATED ANNUAL OPERATING AND MAINTENANCE (O&M) COSTS:	
(Utilities, Housekeeping, Maintenance, Insurance, Other)	
gsf x ~\$/sf	\$ N/A*
Total Estimated Annual O&M Costs:	\$ N/A*

* Central utility O&M costs are not assigned at a facility level or by GSF.

FUNDING SOURCE:	
University Central Reserves	\$ 12,610,000
O&M Costs:	Operating Company Expense \$ N/A

NEW EQUIPMENT REQUIRED	
Rooftop DX Units	
High Efficiency Condensing Boilers	
Total Equipment Costs:	\$ 200,000

PROJECT SCOPE:

The Campus Steam Decommissioning Project (“Project”) will improve the teaching, learning, and working environments of campus constituents by providing reliable and efficient thermal energy to facilities by replacing systems which have reached the end of their functional service life. Scope will include the addition of local boilers and the connections of additional buildings in coordination with the support of new facilities prior to the retirement of the existing steam system.

The existing steam distribution system is approximately 60 years old and is at its optimal replacement age. As part of the University’s strategic energy plan, the steam system has been incrementally decommissioned as buildings were connected to the Central Thermal System. This project decommissions the balance of the buildings, which have not been connected to the system. Furthermore, the existing steam boiler efficiency is impacted by the current minimal load, therefore overall efficiency will be enhanced. Finally, the steam system operates on a limited basis and is challenging to start up and shut down. When the campus experiences warm periods during the heating season building comfort is compromised due to system start up challenges.

The Project has been separated into two (2) packages: Package A – Campus Steam Decommissioning 2023 (“Package A”) which includes the buildings being removed from the campus steam system in 2023 (B.B. Comer Hall, Bureau of Mines #1, Bureau of Mines #2, Bureau of Mines #4, and ten Hoor Hall); and Package B – Campus Steam Decommissioning 2024 (“Package B”) which includes the buildings being removed from the campus steam system in 2024 (Foster Auditorium, Reese Phifer Hall, Hardaway Hall, and Rowand-Johnson Hall) as well as the addition of a new boiler to the East Quad Energy Plant; and the Owner Furnished Contractor Installed Equipment package for the Rooftop DX units and High Efficiency Condensing Boilers.

Package A – 2023 Steam Decommissioning will consist of the Northwest Campus Boiler Station connection to B.B. Comer Hall, connecting Bureau of Mines #1 to the central thermal energy system, Bureau of Mines #2 and Bureau of Mines #4 will replace the HVAC systems utilizing electric and/or natural gas heating, and ten Hoor Hall will add a backup boiler. After completion of this package, the steam system will still be in operation for the remaining connected buildings.

Package B – 2024 Steam Decommissioning will consist of connecting Foster Auditorium, Hardaway Hall, and Reese Phifer Hall to the central thermal energy system, Rowand-Johnson Hall to the Northwest Campus Boiler Station, and adding a new boiler to the East Quad Energy Plant.

PROJECT STATUS

SCHEMATIC DESIGN:	Date Initiated	June 2022
	% Complete	100%
	Date Completed	October 2022
PRELIMINARY DESIGN:	Date Initiated	November 2022
	% Complete	0%
	Date Completed	December 2022
CONSTRUCTION DOCUMENTS:	Date Initiated	December 2022
	% Complete	0%
	Date Completed	December 2022
SCHEDULED BID DATE: (Package A)		January 2023

**N/A on Stage I Projects*

RELATIONSHIP AND ENHANCEMENT OF CAMPUS PROGRAMS

The Project will improve the teaching, learning, and working environments of campus constituents by providing reliable and efficient thermal energy, local boilers and a new boiler station to facilities by replacing systems that have reached the end of their functional service life. Furthermore, reducing the cost to provide heating to buildings will support The University of Alabama (“University”) in reducing annual operating costs.

As part of the University’s master plan for steam decommissioning, this proposed Project will address deferred maintenance issues and reduce deferred maintenance liabilities by approximately \$80,000,000 while improving system efficiency and reliability through utilization of the existing East Quad Energy Plant distribution systems and infrastructure.

The work is scheduled to happen over the late spring and summer so as to minimize the impact to building occupants when the heating load is minimal.

Attachment K to Board Rule 415

**Supplemental Project Information Worksheet
Annual Capital Development Plan**

FY: 2022 – 2023

Project Name: Campus Steam Decommissioning
Project Address/Location: B.B. Comer Hall, Bureau of Mines #1, Bureau of Mines #2, Bureau of Mines #4, ten Hoor Hall, Foster Auditorium, Reese Phifer Hall, Hardaway Hall, Rowand-Johnson Hall and East Quad Energy Plant
Campus: The University of Alabama

1. Will this Project increase the current space inventory on campus or replace existing space?

- increase space inventory _____ % increase _____ GSF
- replace space inventory _____ % replacement _____ GSF
- renovation of existing space only _____ GSF

Not Applicable – infrastructure project which does not impact space.

2. If this Project will replace existing space inventory, how will vacated space be utilized or assigned after this Project is completed?

Comments:

Once the Campus Steam Decommissioning Project “Project” is complete, the demolition of the steam plant equipment will need to take place. All the equipment in the retired steam plant will need to be abated and removed to include the coal fire boilers, hoppers, conveyer system, controls, and interior structure supporting the equipment. This will leave only the shell of the retired steam plant, which could be repurposed in a variety of ways.

3. Is the proposed Project location consistent with the Campus Master Plan and University Design Standards and the principles contained therein?

- Yes No, A Campus Master Plan Amendment Is Required

If Campus Master Plan amendment required, explain:

While the scope is not included specifically on the physical master plan, it is a part of the

thermal energy master plan. The energy optimization study reaffirmed the necessity to decommission the existing campus steam system.

4. Provide information on classification of new space provided by this Project and latest utilization data on similar type space on campus.

Comments/Notations:

Not applicable. The Project will remove various buildings from the campus steam system.

5. How will this Project enhance existing/new programs and undergraduate/graduate enrollments?

Estimated new Funds from Tuition/Programs \$ N/A Yr.

Comments:

The project will improve the teaching, learning, and working environments of campus constituents by providing reliable and efficient thermal energy, local boilers and a new boiler station to facilities by replacing systems that have reached the end of their functional service life. Furthermore, reducing the operating cost to provide heating to buildings will support the University in maintaining a competitive cost of attendance.

As part of the University’s master plan for steam decommissioning, this proposed Project will address deferred maintenance issues and improve system efficiency and reliability through utilization of the existing East Quad Energy Plant distribution systems and infrastructure.

In recognition of the differences in the site work requirements and Project delivery timelines between the two major portions of the Project, the Project has been separated into two (2) main packages and an Owner Furnished Contractor Installed Equipment package as outlined below.

Package A – Campus Steam Decommissioning 2023 will consist of the Northwest Campus Boiler Station connection to B.B. Comer Hall; connecting Bureau of Mines #1 to the central thermal energy system; Bureau of Mines #2 and Bureau of Mines #4 will replace the HVAC systems utilizing electric and/or natural gas heating; and ten Hoor Hall will add a backup boiler.

Package B – Campus Steam Decommissioning 2024 will consist of connecting Foster Auditorium, Hardaway Hall, and Reese Phifer Hall to the central thermal energy system; Rowand-Johnson Hall will connect to the Northwest Campus Boiler Station; and a new boiler will be added to the East Quad Energy Plant.

An Owner Provided Contractor Installed Equipment Package will facilitate the schedule by allowing for the purchase of long-lead items such as Rooftop DX Units and high efficiency condensing boilers early in the Project.

6. **Has a facility user group been established to provide input for planning, programming, and design purposes?** Yes In-Progress

If yes, list key members of user group:

Greg McKelvey – Executive Director, Maintenance Operations and Energy Management
 Dwight Stewart – University Mechanical Engineer
 Barbara McCrary - HHB Engineers, P.C.
 Sam Chen - Director of Automation and Recommissioning
 Bonner Lee – Landscape Architect
 Steven Mercado – Senior Project Manager
 Shawn Templeton – Project Manager

7. **Source(s) of funding for Total Project Development Costs.**

Source(s)	New Funds (FY 2023)	Reserves	Status ^{/7}
Tuition			
Student Fees			
Investment Income			
Auxiliary Income			
• External			
• Internal			
Education Sales/Services			
• External			
• Internal			
Direct Grants			
Gifts			
Bonds			
Existing Net Assets			
Other – University Central Reserve	\$12,610,000		Pending
Totals	\$12,610,000		Pending

^{/7} Approved, allocated, pending

Comments:

This Project will be funded from 2023 University Central Reserves in the amount of \$12,610,000.

8. Estimate of operations and maintenance (O&M) costs for the initial occupancy year and projections for succeeding five (5) year period.

Operations and Maintenance (O&M)Annual Costs Projections			
Expense	FY 2021- 2022 Base Data /8	First Full /YR Occupancy FY 2024	Successive Five (5) Year Projections /9
Maintenance			
Elevator Service			
Building Repairs			
Building Services			
Electric, Natural Gas, Steam			
Chilled Water			
Water and Sewer			
Insurance			
Safety Support			
Operations Staff Support Funding			
Other – Supply Store expenses			
Totals	N/A	N/A	N/A

/8 Latest Fiscal Year Data used as Base Year for Projections

/9 Combined Costs for next Five (5) Years of Occupancy

Comments:

The O&M costs for this Project will not be associated with individual buildings. These systems will be significantly more efficient and reduce personnel requirements.

Package A will offset the building steam system maintenance cost with a compact boiler station for B.B. Comer Hall and, local boilers for Bureau of Mines #2 and Bureau of Mines #4, and connection to the central thermal system for Bureau of Mines #1. Elimination of existing inefficient steam lines will result in savings of approximately 20% plus elimination of repair labor.

Package B will eliminate the building steam system maintenance cost by connecting Rowand-Johnson Hall to the compact boiler station in B.B. Comer Hall, and connections to the central thermal system for Foster Auditorium, Hardaway Hall, and Reese Phifer Hall. A new boiler will be added to the East Quad Energy Plant to accommodate the buildings being added to the central thermal system. Elimination of existing leaking steam lines will result in savings of approximately 30% plus elimination of repair labor.

9. Source of funds for projected ongoing operations and maintenance (O&M) costs for this project.

Source(s)	Occupancy Yr ^{/9} (FY _____)	Future Years ^{/10}	Status ^{/7}
Tuition			
Student Fees			
Investment Income			
Auxiliary Income			
• External			
• Internal			
Educational Sales & Services			
• External			
• Internal			
Direct Grant(s)			
Reallocated Funds ^{/11}			
Gifts			
Other			
Total/YR	N/A	N/A	N/A

^{/9} Initial Full Yr of Occupancy
^{/10} Next Five (5) Yrs Occupancy
^{/11} Funds Reallocated from other sources
^{/7} Approved, allocated, pending

Comments:

Ongoing O&M costs will be funded from the annual operating budget. Savings resulting from the execution of these projects will help offset future energy inflation cost and additional energy cost from campus growth.

10. Are development expenditures for this Project being used to reduce the current deferred maintenance/facilities renewal liabilities for the Campus?

\$ 12,610,000 100 % of Total Development Costs

Comments:

Package A & B will replace the existing steam infrastructure with more efficient local and centralized equipment. The estimated cost to replace the entire steam system totals

\$80,000,000. The existing infrastructure has been utilized to the extent of its serviceable life. By moving forward with this Project, the cost comparison between replacing the existing steam system and installing local boilers and connecting to the central thermal system far outweighs the two options.

11. What other development alternatives were considered in the planning process for this Project? /13

Comments:

Continued use of the existing equipment and system was considered. The buildings currently supplied with steam energy are less efficient and more maintenance intensive than buildings served by central plants and local boilers.

Replacement of the 60 year old central steam system with a central hot water heating system was considered. However, disruption to the landscape and hardscape in the service area caused by piping replacement would be extensive and cost prohibitive.

/13 Renovation vs. new construction, adaptive reuse of underutilized buildings, etc.

12. Explain how the project will promote adequacy of campus facilities in relation to the University's Mission and scope of programs and/or services:

Comments:

As part of the University's master plan for thermal energy distribution, this proposed Project will address deferred maintenance issues and improve system efficiency and reliability through utilization of the existing East Quad Energy Plant distribution systems and infrastructure. Connection of Campus buildings to the Central Thermal System and installation of redundant local boilers will eliminate equipment single point of failures that result in complete heating system loss.

Energy delivery resiliency reinforces the confidence needed for the campus community to conduct research, teach, facilitate an exceptional learning environment, and live comfortably. This project will ensure that impacted campus facilities operate at the highest level necessary to support the affected programs and services.

13. How does the project correlate to the University's strategic goals?

Comments:

Maintaining comfortable, pleasant, and continuously operating facilities is an important part of recruiting and retaining top tier students, faculty, and staff. Increasing the reliability of the overall systems helps achieve this goal.

The University's Strategic goal number two is the increase of the University's productivity and innovation in research, scholarship and creative activities that impact economic and societal development. This Project accomplishes that goal by addressing the objective to invest in infrastructure that promotes a thriving research and economic development enterprise.

The above packages and equipment provide the best combination of financial, efficient, and resilient benefits with respect to maintaining space conditioning and occupant comfort on campus.

14. Which of the six University of Alabama system Core Principles does this project support?

Comments:

This Project supports core principle number 3 "Be accountable for every dollar we receive while maintaining the highest standards of excellence in every program and endeavor". Upgrading the heating systems in the most economical way possible will improve the environment within those structures while saving energy and supporting a competitive cost of attendance, thereby ensuring accountability and maintenance of the highest standards of excellence.

15. What would be the immediate impact on campus programs and enrollment if this project is not approved?

Comments:

The immediate impact is the loss of an opportunity to:

1. Reduce risk of campus program downtime due to failure of antiquated equipment and systems with single point of failure conditions.
2. Enhance the environment of the University by removal of unsightly and noisy mechanical equipment.
3. Reduce near-term costs associated with maintenance and replacement of aging HVAC equipment.



September 28, 2022

Dr. Dana S. Keith
Senior Vice Chancellor for Finance and Administration
Sid McDonald Hall
500 University Boulevard, East
Tuscaloosa, AL 35401

Trustee Karen Brooks
Chair, Physical Properties Committee
2555 14th Street, East
Tuscaloosa, AL 35404

RE: Request for Waiver of Consultant Selection Process
Campus Steam Decommissioning
UA Project #UTL-23-3022

Dear Dr. Keith and Trustee Brooks,

The University of Alabama ("University") is requesting a Waiver of the Consultant Selection Process for the Campus Steam Decommissioning project ("Project").

The University proposes to utilize HHB Engineers, P.C. ("HHB") of Prattville, Alabama as the principal engineering design firm for the Project. HHB was previously engaged by the University to perform an economic analysis of the buildings fed by the existing steam system to plan for the system decommissioning. HHB was also the engineer of record for Package B of the Central Campus Thermal Energy Connections project. As a result, HHB has a detailed understanding of the University's steam system infrastructure locations, configurations, and preferred equipment.

Due to their previous experience and substantial knowledge base gained executing projects on campus and over the course of development for the Project and their commitment to complete the design of Package A this fall to allow for bid in February of 2023, HHB's participation is critical to the Project's success. Further, HHB's familiarity and knowledge of the University's standards, design principles, and procedures will greatly facilitate the design and administrative process to expedite the Project schedule.

In addition, a waiver of the Consultant Selection Process would give HHB the ability to complete the design in time for the University to order the long lead time equipment for the Owner Furnished Contractor Installed Equipment package ahead of projected construction. The time frame to complete this Project and remove the deteriorating steam system from campus is prior to the fall heating season in 2024.

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Accordingly, the University has negotiated a design fee for the Project based on 6.6% for Package A and 6.2% for Package B and the cost of owner furnished equipment, a 1.14 renovation factor, \$37,050 in additional services and reimbursable expenses, and less a credit in the amount of \$20,000. This represents a total discount of \$90,256, or approximately 11% of the standard fee for the Project.

	Cost of the Work		% Fee for Building Group III		Major Renovation Factor	Credit		Fee
Standard Fee Calculation								
A	\$3,122,000*	x	6.6%	+	25%		=	\$798,360
B	\$6,978,000	x	6.2%					
Proposed Negotiated Fee								
A	\$3,122,000*	x	6.6%	+	14%	\$20,000	=	\$708,104
B	\$6,978,000	x	6.2%					


*The Package A amount includes the OFCI Equipment package as well.

The proposed fees represent a significant financial benefit to the campus and a discount of \$90,256 or approximately 11% of the standard fee for the Project.

Approval is hereby requested for:

1. Waiver of Consultant Selection process for the Project.
2. HHB Engineers, P.C., of Prattville, Alabama, as the design service provider for the Project at a negotiated design fee based on 6.6% for Package A and 6.2% for Package B and the cost of the owner furnished equipment package, a 1.14 renovation factor, \$37,050 in additional services and reimbursable expenses less a credit in the amount of \$20,000.
3. Submittal to the Physical Properties Committee for review and approval.

For your convenience, a Project Summary has been attached. If you have any questions or concerns, please feel free to contact me.


Matthew M. Fajack
Vice President for Finance and Operations
and Treasurer

MMF/lrc

Attachment

Campus Steam Decommissioning
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Page 3

pc w/atcmts:

Michael Rodgers
Matt Skinner

Tim Leopard
Steven Mercado

Recommended for Approval.

Not Recommended for Approval. Submit to Physical Properties Committee.

Dana S Keith

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Dr. Dana S. Keith, Senior Vice Chancellor for Finance and Administration

Recommended for Approval.

Not Recommended for Approval. Submit to Physical Properties Committee.

Karen P Brooks

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Trustee Karen Brooks, Chair for Physical Properties Committee

CAMPUS STEAM DECOMMISSIONING PACKAGE A - 2023

LOCATION MAP



CAMPUS STEAM DECOMMISSIONING PACKAGE B - 2024

LOCATION MAP

