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September 3, 2013

**CHAIR OF THE COMMITTEE ON GROUNDS AND BUILDINGS
PRESIDENT OF THE UNIVERSITY**

**ACTION UNDER INTERIM AUTHORITY – AMENDMENT OF THE BUDGET,
APPROVAL OF MINOR SCOPE CHANGE, AND ACTION PURSUANT TO
CALIFORNIA ENVIRONMENTAL QUALITY ACT, PHASES 1 AND 2 OF THE
UNIVERSITY HOUSE REHABILITATION, SAN DIEGO CAMPUS**

EXECUTIVE SUMMARY

The University House is the University-designated house for the UC San Diego Chancellor to reside and to carry out administrative, ceremonial, and development-related activities. In January 2004, the University House was deemed uninhabitable; this required other solutions to be undertaken to provide housing to the previous and current chancellors until the University House could be occupied. The campus worked closely with University and community stakeholders and consultants, to implement the University House Rehabilitation project through a phased approach. In spring 2012, the University House was named the Audrey Geisel University House, in recognition of longtime philanthropic support to the campus, including this project.

The approved project scope for Phase 1 was for the stabilization of the slope, and this was completed in February 2012. Phase 2 of the project includes rehabilitation of the existing University House to provide seismic and structural upgrades, utility and site improvements, and improvements and repairs to the public and private spaces to address life safety and code compliance issues and improve functionality, while protecting tribal cultural, archaeological, and historical resources on the site. Phase 2 is scheduled for completion in November 2013.

This request for action under interim authority is driven by the need to pay invoices, award contracts, and order furniture, furnishings, and equipment by August 31, 2013, or otherwise be delinquent in payments due and entail further delay in the project schedule. To pay current invoices, the funds depleted by costs incurred when human remains were found on the site need to be supplemented. To commit contracts in order to restore the existing decades-old pool under the supervision of existing onsite mitigation monitors and concurrent with completion of the rest of the project, approval is needed for a minor change in scope and associated California Environmental Quality Act (CEQA) actions. Finally, University functions have been scheduled to occur soon after the completion of the Audrey Geisel University House. This necessitates that the public spaces be furnished and the catering kitchen fully operational and, therefore, that funding be approved for new and refurbishment of existing furniture, furnishings, and equipment that need to be ordered now to ensure delivery in time for the scheduled events. The campus,

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therefore, is seeking interim approval given that requesting action at the September Regents meeting would further delay the project schedule.

The Regents are being asked to: (1) approve the revised project budget of \$11,304,000, to be funded from gift funds earmarked for the University House Rehabilitation project (\$9,504,000), Searles Funds (\$1.45 million) and unrestricted gift funds (\$350,000); (2) approve minor scope changes related to restoration of the existing decades-old pool; and (3) adopt the CEQA findings.

RECOMMENDATION

The President recommends that, based on review and consideration of the previously certified University House Rehabilitation Project Environmental Impact Report (July 2011), the Chairman of the Board and the Chair of the Committee Grounds and Buildings:

1. Amend the 2013-14 Budget for Capital Improvements and the Capital Improvement Program as follows:

From: San Diego: Phases 1 and 2 of the University House – preliminary plans, working drawings, and construction – \$10,504,000 to be funded from gift funds earmarked for the University House Rehabilitation project (\$9,054,000) and Searles Funds (\$1,450,000).

To: San Diego: Phases 1 and 2 of the University House – preliminary plans, working drawings, construction, and equipment – \$11,304,000 to be funded from gift funds earmarked for the University House Rehabilitation project (\$9,504,000), Searles Funds (\$1,450,000), and unrestricted gift funds (\$350,000).

2. Upon review and consideration of the environmental consequences associated with the minor changes to the University House project, determine under the California Environmental Quality Act (CEQA) that the environmental impacts of such action have been adequately analyzed in the Final Environmental Impact Report for the University House Rehabilitation project certified by the University on July 14, 2011 and an addendum thereto, that none of the conditions requiring the preparation of additional CEQA documentation exist, and adopt the attached Findings in support thereof.
3. Approve a minor change in scope to restore the existing decades-old pool, including replacement of pumps, providing gas and electrical service, and refinishing of the existing pool lining.

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BACKGROUND

For nearly forty years, UC San Diego Chancellors have resided in the University House and hosted events in support of the campus. In 1967, the University purchased the residence of William Black, a prominent La Jolla developer, to serve as the University House for the San Diego campus. Of the 130-acre purchase, approximately seven acres were retained for the University House, of which 3.92 acres are developable because of the bluff slope to the south. Constructed in 1952, the one-story residence was designed by William T. Lumpkins, a noted Santa Fe-based architect. The existing building is located on the south edge of a coastal canyon in the La Jolla Farms development and overlooks coastal sage, the beach, and the Pacific Ocean. The house underwent modifications and additions of public spaces over time.

In January 2004, the structure was deemed uninhabitable because of seismic code deficiencies and a multitude of life safety and code compliance issues. Additional critical issues included slope destabilization because of erosion and improper drainage, deficiencies in major building systems components (e.g., plumbing, electrical, HVAC), mold infestation, and the presence of other hazardous materials.

The site has been determined to be a Sanctified Cemetery and a Sacred Site by the Native American Heritage Commission (NAHC); additionally, the house is listed on the National Register of Historic Places for cultural, archaeological, and historical resources. If left in its previous condition without any improvements, the site and structure would have remained unstable and unusable, and would have continued to deteriorate with no progress being made toward preserving the cultural and historical resources. The campus has worked diligently with University and community stakeholders and consultants to evaluate and implement solutions that would resolve the life safety and code compliance issues, improve the functionality of the residence, and preserve the on-site cultural and historical resources of the property.

The Regents Policy on University-Provided Housing requires that campus chancellors, as a condition of their employment, reside in University-designated housing to carry out administrative, ceremonial, and development-related activities. However, with the University House being deemed uninhabitable in 2004, alternate solutions were undertaken to provide housing for the then-Chancellor and now the current Chancellor, until the University House could be occupied. While these interim solutions have been adopted out of necessity, they are not permanent solutions for providing appropriate facilities for the Chancellor to conduct University-related duties.

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PROJECT DESCRIPTION

Previously Approved Project Scope

The campus initiated a phased implementation plan to address the life safety and code compliance issues associated with the site and the structure. The project scope includes the following: rehabilitation of the existing University House to provide seismic and structural upgrades; utility and site improvements; and improvements and repairs to the public and private spaces to address life safety and code compliance issues and improve functionality, while protecting tribal cultural, archaeological, and historical resources. The project also addresses the following goals:

- Preserves cultural resources on the site and incorporates interpretive cultural history elements in the design of the University House, as well as its landscaped areas;
- Rectifies site drainage issues to prevent further erosion and to reduce slope destabilization and damage to University property;
- Stabilizes the adjacent coastal canyon bluff face to prevent further erosion and damage to the University House itself and its foundations (accomplished as part of Phase 1);
- Provides a public venue for the UC San Diego Chancellor to conduct academic, social, and community outreach events; and
- Provides permanent housing for the UC San Diego Chancellor on University property consistent with the Regents Policy on University-Provided Housing.

Appropriate coordination among University and community stakeholders has taken place through the Advisory Workgroup that guided the planning and design of this project, including addressing recommendations from the Academic Senate, the campus, and Office of the President staff. The campus has worked closely with the NAHC, La Jolla Historical Society, and other community stakeholders to develop a rehabilitation plan for the facility.

Because the site is a Native American sanctified cemetery, the project scope of work sought to minimize disruption to the site. Ground disturbances occurred only when absolutely necessary to rehabilitate the existing facility, including during the course of: installing new utilities; repairing the existing driveway and parking areas; repairing and replacing a minimal amount of landscaping; and stabilizing the adjacent coastal canyon slope edge. Additionally, certain features of the structure that detracted or were non-contributing to the facility's historical significance were removed to bring University House back to its original historical configuration. The implementation plan for the project included measures to avoid impact to soils, cultural items, and human remains. These efforts included hand excavation by qualified archaeologists and monitoring by Native American representatives.

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Need for Amendment to Budget

With completion of Phase 1, cost savings were redirected to the Phase 2 construction contingency budget, because of the susceptibility for unforeseen conditions. However, additional funding of \$800,000 is being requested to complete the project, as discussed in more detail below.

Because the area was designated as a sanctified cemetery, a University House Rehabilitation Plan (UHRP) was developed to: avoid impacts to tribal cultural and archeological resources; avoid substantial adverse change in the significance of such resources; and avoid substantial or permanent damage to the site as a sanctified cemetery and sacred site. In addition, a mitigation plan was defined should there be significant impacts to human remains according to the UHRP Protocol for Discovery of Human Remains. During the rehabilitation work, human remains were found on the site and the protocols identified in the California Environmental Quality Act (CEQA) Findings for Phase 2 of University House Rehabilitation project were followed. As the result of the details of the mitigation protocols (oversight by archeologist and Native American Monitor; soil storage and screening, and removal of human remains) to deal with human remains, \$450,000 is required to complete the project.

The original project budget did not address the costs for furnishing the University House because it was unclear to what extent the existing pieces could be reused in the rehabilitated house and how many new pieces would be required. The furniture and furnishings used in the current rental for the Chancellor will be relocated to furnish the private spaces of the University House. Additionally, select pieces of furniture and furnishings that have been stored since the University House was vacated will be used in the rehabilitated house. However, some of these pieces require refurbishment and the purchase of additional furniture is necessary in order to outfit the public spaces of the house, including banquet, living, dining, meeting rooms, and guest suite, and exterior furniture. The rehabilitated house combined an existing servery and kitchen to provide a larger updated catering kitchen to meet current code requirements and accommodate public receptions and University events; this space requires the purchase of cooking equipment, serving dishes and utensils, and utility shelves. The budget to furnish the public spaces of the house is \$350,000.

Minor Change in Scope

As part of the site improvements and exterior utility work identified for Phase 2, the project scope involved removing the existing pool and associated decking and equipment, and creating a new outdoor gathering space. In the original scope, excess soil excavated from various places on site had been designated to fill the abandoned pool, based on the fact that the soil could not be transported off site given the designation as a sanctified cemetery. However, the soil was able to be used to accommodate above-grade utility vaults and to be otherwise redistributed across the site. At this time, the campus seeks to retain the pool and make necessary improvements to restore it. This scope of work would include replacing pumps, providing gas and electrical service, and refinishing the existing pool lining. As with the rest of the project, site disturbance would be minimized and the same mitigation measures and monitoring protocols would be in

**PROJECT BUDGET
PHASES 1 AND 2 OF THE UNIVERSITY HOUSE REHABILITATION
SAN DIEGO CAMPUS
CCCI 5932**

<u>Cost Category</u>	<u>Approved Budget Jan-12</u>	<u>Amendment Request</u>	<u>Proposed Budget Aug-13</u>	<u>% of Total</u>
Site Clearance	\$ 124,000	\$ 450,000	\$ 574,000	5.2%
Building	4,448,000	528,000	4,976,000	45.4%
Exterior Utilities	594,000	75,000	669,000	6.1%
Site Development	1,512,000	151,000	1,663,000	15.2%
A/E Fees	1,300,000	161,000	1,461,000	13.3%
Campus Administration	485,000	65,000	550,000	5.0%
Surveys, Tests, Plans, Specs	185,000	22,000	207,000	1.9%
Special Items (excl. financing)	729,000	75,000	804,000	7.4%
Contingency	<u>1,127,000</u>	<u>(1,077,000)</u>	<u>50,000</u>	<u>.5%</u>
<i>Total P-W-C</i>	\$10,504,000	\$ 450,000	\$10,954,000	100.0%
Groups 2 & 3 Equipment	\$0	\$ 350,000	\$350,000	
<i>Total Project</i>	\$10,504,000	\$ 800,000	\$11,304,000	

- Budget includes costs for challenges associated with site being designated as a sanctified Native American cemetery and listed as a sacred site and its listings on the California Register of Historical Places and the National Register of Historic Places. For example, all ground-disturbing activities require that a qualified archeologist and Native American monitor(s) be on site and that ground disturbing work be done by hand.

Project Statistics:

	<u>Approved Jan-12</u>	<u>Proposed Aug-13</u>
Rehabilitation of Residence		
GSF	11,400	11,400
ASF	7,450	7,450
Efficiency Ratio: ASF/GSF	65%	65%
Building Cost/GSF	\$390	\$436

FUNDING PLAN
PHASES 1 AND 2 OF THE UNIVERSITY HOUSE REHABILITATION

	Approved <u>Jan-12</u>	Proposed <u>Aug-13</u>	Change From <u>Last Approved</u>
Funding Sources			
Gift Funds	\$9,054,000	\$9,854,000	\$800,000
University / Searles Funds	\$1,450,000	\$1,450,000	-
Total	\$10,504,000	\$11,304,000	\$800,000
Funding Schedule			
Preliminary Plans	\$560,000	\$560,000	-
Working Drawings	\$1,263,000	\$1,263,000	-
Construction	\$8,681,000	\$9,131,000	\$450,000
Equipment	-	\$350,000	\$350,000
Total	\$10,504,000	\$11,304,000	\$800,000

PREVIOUS ACTIONS

- November 2008: Approval of preliminary plans (“P”) funding for \$413,000 for the full project
- July 2011: Approval of a portion of the Phase 1 budget (\$1,500,000); certification of the Environmental Impact Report and adoption of the Mitigation Monitoring and Reporting Program for entire (Phase 1 and Phase 2) project and adoption of Findings for Phase 1; approval of design for Phase 1.
- October 2011
(Interim Actions): Approval of total budget for Phase 1 (\$2,897,000); and grant of Third Party Indemnity to Obtain California Coastal Commission Permit for the University House Rehabilitation project (Certification of Environmental Impact Report, Adoption of Findings, and Approval of Design by Committee on Grounds and Buildings (Committee on Finance action)
- January 2012: Approval of total project budget of \$10,504,000, with addition of the Phase 2 budget of \$7,607,000; adoption of Findings for Phase 2; and approval of design of Phase 2.

**CEQA DOCUMENTATION – ADDENDUM #1
TO THE UNIVERSITY HOUSE REHABILITATION EIR**

Project approval and certification of the Final Environmental Impact Report (EIR) was granted by the Regents of the University of California for the University House Rehabilitation project on July 14, 2011. UCSD proposes minor changes in existing auxiliary structures and landscape from that described in the certified EIR. Section 15164(b) of the California Environmental Quality Act (CEQA) Guidelines states “an addendum to an EIR may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.”

As part of the site improvements and exterior utility work identified in the certified EIR, the project was to remove the existing pool, associated decking and equipment and create a new outdoor gathering space. The abandoned pool was to be filled with excess soil excavated from various places onsite that could not otherwise be transported off site given the site designation as a sanctified cemetery. The soil, however, was accommodated on the site in another manner associated with the utility vault berm. Given this solution, the campus proposes to retain the pool and make necessary improvements. This element of work would include replacing pumps, providing gas and electrical service, and refinishing the existing pool lining. As with the rest of the project, site disturbance would be minimized and the same mitigation measures and monitoring protocols would be in effect. The gathering space would be accommodated south of the pool and would not involve any site changes or disturbances.

In conclusion, no substantial changes have been proposed to the project described in the Final EIR that would require major revisions to the environmental analysis conducted in that document. None of the conditions or circumstances discussed above that would require preparation of a supplemental or subsequent document pursuant to CEQA Guidelines Section 15162 exist in connection with the proposed minor changes. No new substantial change in circumstance or new information of substantial importance is known or available as applicable to the modified proposal. No substantial change to the Project Final EIR would result from refinements and revisions associated with the modified project. No new or more significant impacts would occur, therefore no additional environmental analysis or review under CEQA is required for the proposed project.

**CEQA DOCUMENTATION – FINDINGS
TO THE UNIVERSITY HOUSE REHABILITATION EIR**

The Proposed Action would include replacing pumps, providing gas and electrical service, and refinishing the existing pool lining. The proposed Action would represent a modification to the project approved on July 14, 2011 and described in the Final Environmental Impact Report (EIR) for the University House Rehabilitation project; however, none of the conditions described in California Environmental Quality Act Guidelines Section 15162 necessitating preparation of subsequent or supplemental environmental review exist. As documented in the Addendum, only minor additions to the certified EIR are necessary to evaluate the environmental effects of the Proposed Action. Therefore, on the basis of the resultant changes to the proposed project described above, the University has concluded, as set forth herein, that the Proposed Action will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts, and all applicable EIR project features/mitigation measures would continue to apply.