

November 4, 2021

Mr. David R. Woolstenhulme, Commissioner
Utah System of Higher Education
Two Gateway
60 South 400 West
Salt Lake City, UT 84101-1284

Subject: West Valley Health Center

Dear Commissioner Woolstenhulme:

The University of Utah requests approval of a non-state funded capital development project to construct a University of Utah Health Center in West Valley City. It will be located in the area of 3750 South and 5600 West in West Valley City. Phase 1 will include:

- A 159,000 square foot ambulatory building housing 185 exam rooms and full ancillary services
- A 428,000 square foot inpatient hospital with 187 inpatient beds, 22 ED beds, 25 operating & procedure rooms, and full ancillary services.

This expansion will address the ongoing growth of U Health in a location that has elevated rates of serious health conditions while being in need of health care resources. A large portion of the area population identifies U Health as their preferred health care provider. This project will also address community needs for jobs, training and education.

The proposed total project budget is \$400,000,000 and will be financed through revenue bonds which will be repaid from clinical revenues. Clinical revenues will also fund operations and maintenance costs. No state funds will be used for this project nor will they be requested for operations and maintenance.

The project will be considered for approval by the University's Board of Trustees in their meeting on November 9, 2021. We request that this be presented to the Board of Regents for approval during their meetings on November 18 and 19, 2021.

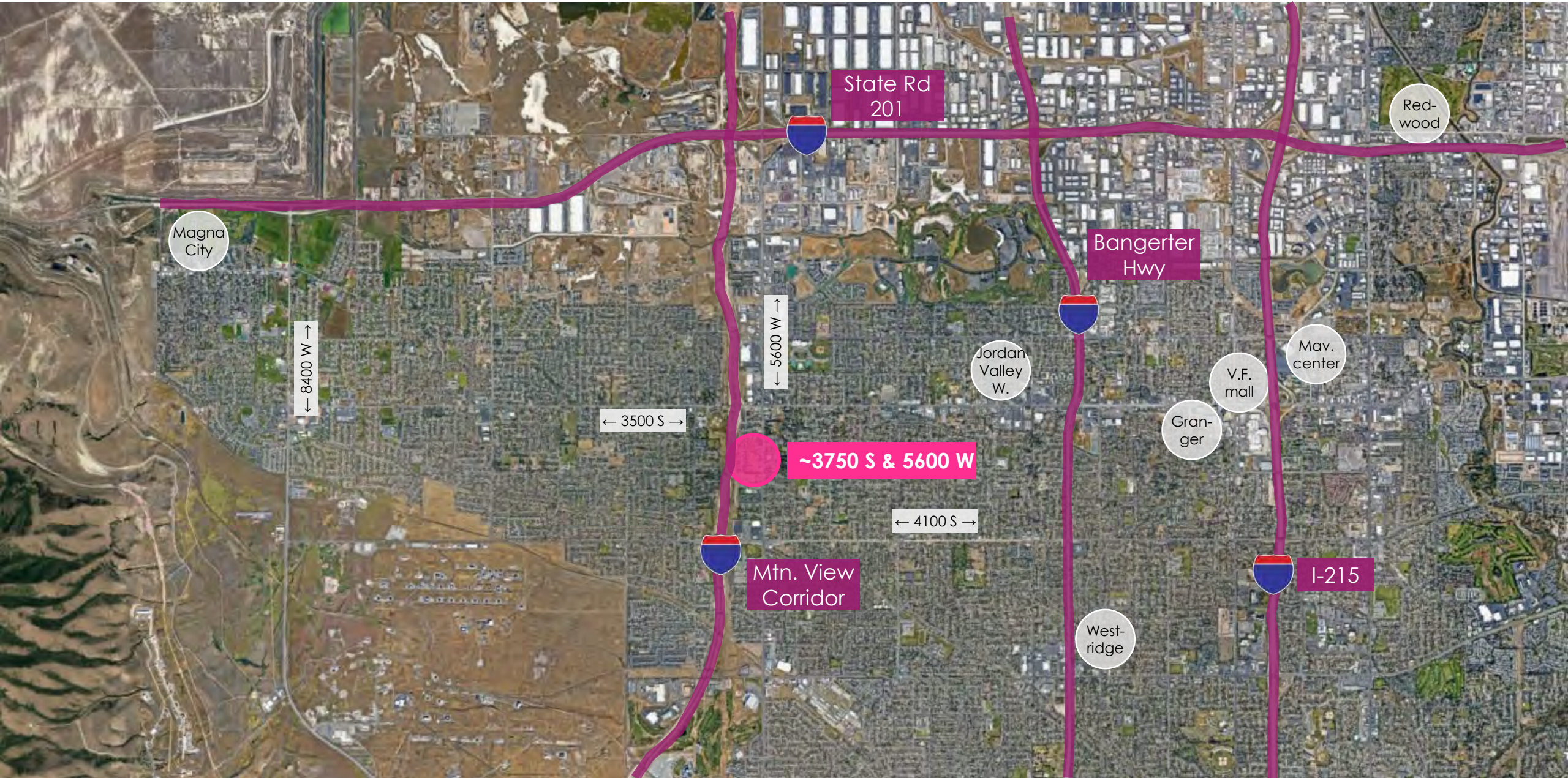
Thanks, as always, for your consideration and support.

Sincerely,



Cathy Anderson
Chief Financial Officer

West Valley expansion



Phase 1 plan

Infrastructure in phase 1 will concentrate toward the south

This includes a 159K ft² ambulatory building home to 185 exam rooms and full ancillary services

A 428K ft² inpatient hospital will include 187 inpatient beds, 22 ED beds, 25 operating & procedure rooms, and full ancillary services

We are exploring a hybrid building to the north that would combine academic and community services and be financed separately



**University of Utah
Capital Budget Estimate (CBE)
Capital Development Projects**

Project Name:	West Valley Health and Community Center Phase 1
Agency/Institution:	University of Utah
Project Manager:	Andrea Cavrag (U of U) and Taylor Maxfield (DFCM)

Cost Summary	\$ Amount	Cost Per SF	Notes
Facility Cost	\$ 328,532,383	\$541.78	Provided seperately by University Health
Utility Fee Cost	\$ 568,384	\$0.94	
Additional Construction Cost	\$ -	\$0.00	
Site Cost	\$ 14,190,190	\$23.40	
LEED	\$ 0	\$0.00	
Total Construction Cost	\$ 343,290,956	\$566.11	
Soft Costs:			
Hazardous Materials	\$ 85,258		
Pre-Design/Planning	\$ 3,755,348		
Design	\$ 22,999,407		
Furnishings & Equipment	\$ -		
Information Technology	\$ 1,762,200		
Utah Art	\$ 200,000		
Testing & Inspection	\$ 3,446,251		
Contingency	\$ 15,674,587		
Moving/Occupancy	\$ 100,000		
Builder's Risk Insurance (0.15% of Construction Budget)	\$ 514,936		
User Fees	\$ 1,127,622		
Legal Services (0.1% of Construction Budget)	\$ 343,291		
DFCM Management	\$ 415,291		
Commissioning	\$ 5,934,854		
Other Costs	\$ 350,000		
Total Soft Costs	\$ 56,709,044	\$93.52	
Total Project Cost	\$ 400,000,000	\$659.63	
Funding Other than State Capital Development:			
	\$ -		
	\$ -		
	\$ -		
	\$ -		
Previous State Capital Development Funding:			
	\$ -		
	\$ -		
	\$ -		
Request for New State Capital Development Funding	\$ 400,000,000		

Project Information			
Gross Square Feet	606,400	Base Cost Date	9/15/21
Net Square Feet	606,400	Estimated Bid Date	6/1/23
Net/Gross Ratio	100%	Est. Completion Date	4/1/26
		Last Modified Date	9/15/21
		Print Date	9/29/21