2011-13 Capital Budget

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Associate Vice President
Capital Planning and Budget
Requirements for Long Range Planning

**Wis. Stats. 13.48 (1)** The legislature finds ...it is in the interest of economy, efficiency and the public welfare that such improvement be accomplished by means of a long-range public building program, with funds to be provided by successive legislatures.

**4** STATE AGENCIES TO REPORT PROPOSED PROJECTS... on such date and in such manner as the building commission prescribes.

**16.42 (1)** AGENCY REQUESTS - All agencies, other than the legislature and the courts, no later than September 15 of each even-numbered year... shall prepare and forward...program and financial information...

**36.11(26)** BUILDING PROGRAM PLANNING AND APPROVAL - The board shall establish a process for submission of building projects to the building commission for approval. No building project for the system may be submitted by the board to the building commission unless the project is developed and approved by the board in conformity with this subsection.
Foundation in Integrated Planning

Academics

Finance

Facilities
Higher Education Facilities are not about...bricks and mortar.

They are about the quality of instruction and student success.
Academic goals cannot be achieved with inadequate facilities
Goal: Expand learning models through modern facilities to increase student success.

Not my parents’ classroom...
UW System Classrooms

1600 general assignment classrooms
32% require renovation
29% deficient in equipment
Capital Budget Funding Sources

Two Categories of Bonding for Capital Projects

• **GFSB** - General Fund Supported Borrowing
  State-issued bonds repaid with state tax GPR

• **PRSB** - Program Revenue Supported Borrowing
  State-issued bonds repaid with UW-PR, including Seg. fees

Two Categories of Projects

• **Major Projects** – require specific statutory enumeration; over $500,000

• All Agency Funds – A facilities maintenance fund for all state agencies.
  The UW receives about 60% of the total.
### 2011-13 Capital Budget Summary

#### All Funds

<table>
<thead>
<tr>
<th>Major Projects</th>
<th>GFSB</th>
<th>Gift Grants</th>
<th>PR &amp; PRSB</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Major Projects using GFSB</td>
<td>$64.8</td>
<td>$17.4</td>
<td>$0</td>
<td>$82.2</td>
</tr>
<tr>
<td>New Major Projects without GFSB</td>
<td>$46.4</td>
<td>$187.6</td>
<td>$234.0</td>
<td></td>
</tr>
<tr>
<td>Advance Enumerations from 2009-11</td>
<td>$222.4</td>
<td>$0</td>
<td>$0</td>
<td>$222.4</td>
</tr>
</tbody>
</table>

#### All Agency Funds

| Maintenance/Repair/Renovation (UW only)              | $72.8| $25.0       | $97.8     |
Projects by Fund Source

- GFSB: 53%
- PRSB: 35%
- Gifts Grants: 12%
General Fund Major Project Priority Criteria

Physical Development 40%
• Codes and health/safety
• Infrastructure and maintenance
• Facility reuse

Institutional Planning 25%
• Number 1 institutional priority for 2011-13
• Priority rank in prior biennia
• Project development and sequence

Programming 35%
• Collaboration, innovation, and outreach
• Space needs, utilization, and functionality
• Core facility and operational impact

Increasing need of funding for academic facilities:
77 @ $2 billion over six years

Limited funding available:
Projected $850 million (40%)
## Comparison of General Fund Supported Borrowing for All State Projects

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>UW General Fund Supported Borrowing for Major Projects</td>
<td>$167</td>
<td>$192</td>
<td>$150</td>
<td>$218</td>
<td>$222</td>
<td>$222</td>
</tr>
<tr>
<td>All Other State GFSB Major Projects</td>
<td>$113</td>
<td>$28</td>
<td>$50</td>
<td>$50</td>
<td>$85</td>
<td>$91?</td>
</tr>
<tr>
<td>Statewide GFSB for All Agency (including UW)</td>
<td>$165</td>
<td>$210</td>
<td>$200</td>
<td>$125</td>
<td>$205</td>
<td>$225</td>
</tr>
<tr>
<td>Total New GFSB for the Biennium</td>
<td>$445</td>
<td>$430</td>
<td>$400</td>
<td>$423</td>
<td>$512</td>
<td>$538?</td>
</tr>
</tbody>
</table>
2011-13 **General Fund** Supported Borrowing

**Existing Advance Enumerations**
- UW-Madison: School of Human Ecology
- UW-Madison: WI Medical Research II
- UW-Madison: WCCF Chiller Plant
- UW-Milwaukee: Master Plan Initiative

**New Enumerations**
- UW System: Classrooms and IT
- UW System: Utilities
- UW-Madison: School of Nursing Research

**All Agency Funds**
- System-wide Maintenance, Repair and Renovation

**Total**
- $360.0M

**Additional Enumeration**
- Residual GFSB $17.0M

**Advance Enumeration**
- 2013-15 GFSB $56.2M
UW-Madison: School of Human Ecology
$22.5M GFSB (and $27.3 Gifts and $2.9 PR 2007-09)
UW-Madison: WI Medical Research Middle Tower
$67.4M GFSB (and $67.4M Gifts 2009-11)
UW-Madison: Utilities – WCCF Chillers $38.5M GFSB
UW-Milwaukee: Master Plan Initiative  $50M GFSB
Existing Advance Enumerations

UW-Milwaukee: Master Plan Initiative
School of Freshwater Sciences
UW-Milwaukee: Master Plan Initiative
Integrated Research Complex

Existing Advance Enumerations
Existing Advance Enumerations

UW-Eau Claire Academic Building  $44M GFSB
Potential Enumeration Requests

UW System: Classrooms and Utilities  $30M

Classroom Renovations  $10M

Utilities $20M
Potential Enumeration Requests

UW Madison: School of Nursing
$34.8M GFSB and $17.4 Gifts
All Agency Funds – UW System

Categorical Enumerations  $47.8 M
Small Projects  25.0 M
$72.8 M
UW-Whitewater
Carlson Hall  $17M (Residual GFSB)
UW-River Falls: Health and Human Performance
$56.2M GFSB and $ PR/Gifts
# UW System Six-Year Budget Projection

**2011-13 Biennium**

<table>
<thead>
<tr>
<th>Total New GFSB Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statewide: $538 million</td>
</tr>
<tr>
<td>Projected UW share: $360 million</td>
</tr>
</tbody>
</table>

### Existing Advance Enumerations
- GFSB $222.4
  - MSN – School of Human Ecology $22.5
  - MSN – WI Medical Res.-Mid. T. $67.4
  - MSN – Utilities $38.5
  - MIL – Master Plan Initiative $50.0
  - EAU – Academic Building $44.0
  - Total: $222.4

### Potential Enumeration Requests
- GFSB
  - SYS – Classrooms $10.0
  - SYS – Utilities $20.0
  - MSN – Nursing Science Center $34.8
  - Total: $64.8

### All Agency Funds (UW System share)
- Categorical enumerations $47.8
- Small Projects $25.0
- Total: $72.8

### WWT - Carlson Hall (2009-11 GFSB) $17.0

### Request Advance Enumeration for 2013-15
- RVF – Health & Human Performance $45.0

### Request Planning for 2013-15 Enumeration
- Facilities Stewardship Projects: $45.0
- New Major Projects: $100.0

**2013-15 Biennium**

<table>
<thead>
<tr>
<th>Total New GFSB Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statewide: $565 million</td>
</tr>
<tr>
<td>Projected UW share: $375 million</td>
</tr>
</tbody>
</table>

### Existing Advance Enumerations
- GFSB $375.0
  - UWM – Master Plan Initiative $30.0
  - Planned Advance Enumeration
    - RVF – Health & Human Performance $45.0

### Potential New Enumeration
- GFSB
  - SYS – Classrooms $10.0
  - SYS – Utilities $20.0

### Major Projects:
- Facilities Stewardship Projects: $45.0
- New Construction Projects $100.0
- Total Major Projects: $145.0

### All Agency Funds (UW System share)
- Categorical enumerations $100.0
- Small Projects $25.0
- Total: $125.0

### Request Advance Enumeration for 2013-15
- MIL - Innovation Park Research $75.0

### Request Planning for 2015-17 Enumeration
- Multi-Campus Facilities Stewardship Projects: $100.0
- New Major Projects: $100.0

### Request Advance Enumeration for 2015-17
- MIL - Innovation Park Research $75.0

### Potential New Enumeration
- SYS – Classrooms $10.0
- SYS – Utilities $25.0
- Multi-Campus Facilities Stewardship Projects: $100.0
- Major Project TBD
- Major Project TBD
- Total Major Projects: $105.0

### All Agency Funds (UW System share)
- Categorical enumerations $100.0
- Small Projects $25.0
- Total: $125.0

### Near-Term Pending Institutional Projects
- GBY - Cochrane Library Renovation $25.3
- LAX - Cowell Hall Add and Renovation $76.3
- LAX - Wittich Hall Renovation $24.0
- MSN - Chemistry Add and Renovation TBD
- MSN - Seeds Bldg. Replacement $4.5
- MSN - Walnut St. Greenhouse $11.2
- MIL - School of Public Health $50
- OSH - Clow/Nursing Education $26.7
- PLT - Beef Center Renovation $2.4
- PLT - Boebel Hall Renovation $16.5
- STO - Harvey Hall Renovation $28.2
- STP - Innovation & Collaboration Ctr. $67.5
- STP - Albertson LRC renovation $15.7
- SUP - Old Main Renovation $6.0
- WWT - Roseman Hall Renovation $7.1
- Subtotal $385+
# 2011-13 Program Revenue Projects

## Housing

<table>
<thead>
<tr>
<th>Code</th>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXT</td>
<td>Upham Woods Shower Facility Repl.</td>
<td>$1.0M</td>
</tr>
<tr>
<td>MSN</td>
<td>Elizabeth Waters Hall Renov.</td>
<td>$7.1M</td>
</tr>
<tr>
<td>MSN</td>
<td>Carson Gulley Renov.</td>
<td>$10.0M</td>
</tr>
<tr>
<td>MSN</td>
<td>University House Renov. - Plan</td>
<td></td>
</tr>
<tr>
<td>PLT</td>
<td>Residence Hall Renov.</td>
<td>$4.5M</td>
</tr>
<tr>
<td>STP</td>
<td>N. Debot Res Hall Remodel Ph I</td>
<td>$10.5M</td>
</tr>
<tr>
<td>STO</td>
<td>Fleming Hall Renov.</td>
<td>$6.6M</td>
</tr>
<tr>
<td>SUP</td>
<td>Ross/Hawkes Res Hall Upgrade</td>
<td>$10.5M</td>
</tr>
<tr>
<td>WTW</td>
<td>Bigelow/Benson Halls Renov.</td>
<td>$12.2M</td>
</tr>
</tbody>
</table>
2011-13 Program Revenue Projects

**Athletics**

- MSN Athletic Performance Facility: $76.8M
- LAC Parking Ramp: $12.0M
- MSN W. Campus/Hosp. Parking: $26.3M

**Miscellaneous**

- MSN Alumni Plaza: $8.0M
- OSH Lincoln School Remodel: $4.5M
- OSH New Conference Center: $15.0M
- OSH PR Chiller Plant: $4.4M

Program Revenue Projects Total: $187.6M
Challenges to Meeting the Needs of Student, Faculty and Staff

Eliminating Barriers

Redundancy .......................................................... Streamlining
Tradition ...................................................................... Best practices
Bureaucracy ............................................................... Efficiency
Counterproductive rules ......................................... Flexibility
Rigidity ....................................................................... Nimbleness
Reactive ....................................................................... Direction
Challenges to Meeting the Needs of Student, Faculty and Staff

Practicality

- Modern project delivery
- Building Information Modeling
- Eliminate redundant approvals
- Match approvals to project risk
- Adapt business practices with accountability
Green Building and Energy Efficiency

• LEED™ or equivalent design is becoming standard practice

• Energy cost reduction plan
  – Energy Savings Performance Contracts – 7 campuses
    EAU/GBY/MSN/MIL/OSH/PLT/MTH and future 4 PKS/STP/STO/SUP
  – UW System - $64.1M or 80% of funds appropriated for energy conservation projects
  – Average simple payback of 8 years