

**Minutes**  
**Physical Planning and Funding Committee**  
**Thursday, December 7, 2000**

The Physical Planning and Funding Committee and the Business and Finance Committee met jointly in Room 1820 of Van Hise Hall. The meeting was convened by Regent James at 3:00 p.m. Present were Regents Alexander, DeSimone, Gottschalk, Gracz, James, Krutsch, Marcovich, and Schneiders. Regent Barry was absent.

**I.3.a. Long Range Facility Maintenance**

The committees considered items I.3.a. and I.3.b. together. The committees had a first reading of the Long-Range Facility Maintenance Plan at their combined November 2000 meeting.

Assistant Vice President Nancy Ives explained that a detailed audit of our major GPR facilities revealed a backlog of deferred maintenance of approximately \$800 million. The Long Range Facility Maintenance Plan proposes that the backlog be eliminated over a ten-year period. She stated that to avoid adding to the backlog, funding will also be needed to pay for cyclical maintenance and renovation as various building components reach the end of their useful life. The plan is based on preliminary data gathered through a computerized asset management program called FacMan, which will dynamically assess the University of Wisconsin System's facility maintenance, renewal and restoration needs and provide an on-going inventory of those needs.

Institutions are expected to complete condition audits of their buildings, utilities and Program Revenue-funded facilities, for inclusion in the Long-Range Plan beginning in the 2003-05 biennium. This plan also directs the institutions to maintain and keep their institution's facility inventory data current and accurate.

**I.3.b. 2001-03 All Agency Funds**

This item requested authority to amend the University's 2001-03 Capital Budget request approved in August 2000 to include \$250,000,000 (\$200,000,000 of General Fund Supported Borrowing and \$50,000,000 of Program Revenue Supported Borrowing) to conduct various projects funded through the statewide All Agency appropriations.

This will provide a sufficient funding level to address maintenance and renewal needs identified by facilities audits, conducted as part of implementation of the FacMan assessment management program, and campus priority lists for those areas not currently addressed in FacMan. This request will provide sufficient funding to begin a 10-year plan to eliminate the deferred maintenance backlog of \$800 million and to undertake needed cyclical maintenance and renovation to avoid a backlog increase. The request will also provide additional funding to implement projects typically funded through the statewide All Agency Accounts but not included in facilities audits.

Upon the motion of Regent Alexander and second of Regent Marcovich the Committee approved Resolutions I.3.a.

Resolution I.3.a.

That, to preserve the significant investment made by the University of Wisconsin System and the State of Wisconsin in University facilities, and to affirm its stewardship role in the management of those assets, the Board of Regents adopts a Long-Range Plan for Facility Maintenance and Renewal, with the following elements:

1. The new Long-Range Plan will be based on the computerized asset management program called FacMan, which provides a dynamic method of assessing the University of Wisconsin System's facility maintenance, renewal and restoration needs and an on-going inventory of those needs.
2. To implement the Plan, beginning in the 2001-03 biennium, requests for funding through the Capital Budget should be sufficient to eliminate the current \$800 million backlog of deferred maintenance over a ten-year period and to undertake needed cyclical maintenance and renovation as it becomes due so that a backlog does not recur.
3. All University of Wisconsin System degree-granting institutions will complete condition assessments on all remaining GPR buildings, utilities and site work, as well as all Program Revenue funded facilities, for inclusion in the Long-Range Plan beginning in the 2003-05 biennium.
4. Project implementation will be focused on data generated by the FacMan program.
5. The facility database should be kept current.

Upon the motion of Regent Krutsch and second of Regent Gottschalk the Committee approved Resolutions I.3.b.

Resolution I.3.b.

That, upon the recommendation of the President of the University of Wisconsin System, the 2001-03 Capital Budget request be amended to include \$250.0 million (\$200 million GFSB and \$50.0 million PRSB), to be submitted to the Department of Administration and the State Building Commission. The amended 2001-03 Capital Budget request will provide funding in the following All Agency appropriations:

2001-03 All Agency Funding Recommendation Summary

General Fund Supported Borrowing (GFSB)

Wisbuild Initiative	\$125.0 M
Utilities Repair & Renovation	42.9 M
Health, Safety & Environment	16.2 M
Land Acquisition	5.0 M
Equipment Allocation	10.9 M

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Total GFSB Recommended: \$200.0 M

Program Revenue Supported Borrowing (PRSB)	
Systemwide Auxiliaries Maintenance, Renewal, etc.	\$50.0 M
Total Funds Recommended:	\$250.0 M

**I.3.c. Discussion: UW-Madison Utility Capacity Problems and Solutions**

The committees discussed utility capacity problems and solutions at UW-Madison. Bruce Braun, Assistant Vice Chancellor, explained that the campus is approaching maximum capacity of existing heating and cooling equipment. If handled as a typical state GPR-funded project, this would require a significant portion of available state funding -- perhaps \$100 million for heating and cooling.

There is a statutory requirement for any major changes in our heating/cooling plants to also include a consideration for cogeneration of electricity which would add about \$70 million to the costs. The concept under consideration would be a cooperative project with local utility companies that would meet university heating/cooling needs, and provide cogeneration of electricity to meet university and local needs.

The committees felt that the cooperative project should be examined, and that staff should also provide additional information on various alternatives for university ownership. This item will be discussed again in a few months before a decision is made.

The joint meeting ended at 3:40 p.m. and the Physical Planning and Funding Committee adjourned to Room 1511 of Van Hise Hall where Regent James reconvened the meeting of the Committee. Present were Regents Alexander, Gracz, James and Schneiders.

**I.3.d. Approval of Committee Minutes**

On the motion of Regent Schneiders and second of Regent Alexander the minutes of the November 9, 2000 meeting of the Physical Planning and Funding Committee were approved.

**I.3. e. Report of the Vice President/Assistant Vice President**

- **Building Commission Actions** - Assistant Vice President Nancy Ives reported that one UW System project, UW-Madison Babcock Hall Dairy Store Renovation (\$450,000 Gift Funds), was approved at the November State Building Commission meeting.
- **Dark Sky Program** - Assistant Ives explained that the Dark Sky philosophy promotes minimization of the amount of astronomical light pollution caused by reflection and certain types of exterior light fixtures. She updated the Committee on UW-Madison's consideration of Dark Sky principles in their selections of exterior lighting and mentioned that there is a \$180,000 project to replace lighting along a portion of Observatory Drive to be done next spring. This and all future projects will incorporate lighting sensitive to Dark Sky principles.

**I.3. f. UW Colleges Annual Report**

Assistant Chancellor Chris Forrest presented UW Colleges Annual Report to the Committee. The municipalities spent about \$1.5 million last year on maintenance and minor renovation of buildings and grounds at the 13 UW College campuses. The municipalities are aggressively pursuing modernization of facilities, and spent about \$4.3 million last year in debt service for major expansions and renovations at several locations.

**I.3.g. UW-Madison Research Park Report**

The Research Park Report was presented by Director Mark Bugher. The Research Park has been highly successful, and now includes 88 tenants with 2500 employees. The park is nearing capacity, with 31 buildings on the site, and only 14 acres left for development. Mr. Bugher gave several examples of how the Park serves as a catalyst for economic development, and enables faculty to start businesses based on their research at UW-Madison.

**Assistant Vice President Nancy Ives presented the following Physical Planning requests:**

**I.3.h. UW-Madison: Remodeling for ROTC Relocation**

This item requested authority to remodel separate spaces to accommodate two distinct ROTC units, at an estimated total project cost of \$710,000, using Institutional Funds (non-GPR).

The Military Science and Air Force ROTC units need to vacate current space at 1402 University Avenue to enable demolition of that facility in early 2002 for the construction of the Biotechnology/Genetics Center Addition. The Military Science group will be relocated to the Genetics Research Laboratory Building and the Air Force Reserve Officers Training Corps will be relocated to 1327 University Avenue.

*Genetics Research Laboratory Building:* Approximately 5,000 ASF on the first floor of this building will be renovated to meet pressing needs for conventional office and program space for Military Science ROTC. The timetable for the Genetics Research Lab renovation forecasts construction implementation during fall 2001 with completion by spring 2002.

*1327 University Avenue:* Approximately 5,250 ASF on the first floor of the storefront at this location will be renovated for the Air Force Reserve Officers Training Corps (ROTC). The scope of work will develop three private offices for most senior officers and semi-private or shared offices for the cadet leaders and most noncommissioned officers. The projected schedule for the 1327 University Avenue project anticipates the start of construction during summer 2001 with completion targeted for early 2002.

Upon the motion of Regent Alexander and second of Regent Gracz the Committee approved Resolution I.3.h.

Resolution I.3.h.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Remodeling for ROTC Relocation project, at an estimated total project cost of \$710,000, using Institutional Funds (non-GPR).

**I.3.i. UW-River Falls: Parker and Crabtree Residence Halls Window Replacement**

This item requested authority to construct a Parker/Crabtree Residence Halls Window Replacement project, estimated at a total project cost of \$465,000, using Program Revenue-Cash.

This project provides for removal and replacement of all fixed and operable windows in Parker and Crabtree Residence Halls which were constructed in 1967. Due to building occupancy schedules,

this project will be staged over two summers, with one residence hall completed in 2002 and the other in 2003.

This project is part of an on-going maintenance program designed to extend the useful life of the campus residence halls on campus. Window replacement will be accomplished during the spring/summer periods of 2002 and 2003.

Upon the motion of Regent Gracz and second of Regent Alexander the Committee approved Resolution I.3.i.

Resolution I.3.i.

That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Parker/Crabtree Residence Halls Window Replacement project, estimated at a total project cost of \$465,000, using Program Revenue-Cash.

**I.3.j. UW-Stevens Point: Thirteen Residence Halls Telecommunication Project**

This item requested authority to construct a Thirteen Residence Halls Telecommunications Cabling Project at an estimated total project cost of \$949,000 of Program Revenue Supported Borrowing. This project will advance the goal of UW-Stevens Point to offer improved technology capabilities, including high speed Internet access, to each student resident.

This project will replace the existing data wiring in thirteen residence halls: Baldwin, Burroughs, Hansen, Hyer, Knutzen, Neale, Pray-Sims, Roach, Smith, South, Steiner, Thomson, and Watson. Approximately 1,770 rooms will be updated in these buildings, including all student resident rooms, staff offices, recreation areas, studies and one computer lab in each building. Each student room and staff office will have two data jacks. Cabling will be run from each jack location to the main distribution frame (MDF) room in the basement of each hall.

The project will last for three years, with five buildings being wired during the summer of 2001, four buildings being wired in the summer of 2002, and the remaining buildings rewired during the summer of 2003.

The room rate will increase by approximately \$14 per year, for two consecutive years to fund debt service for this rewiring project. The cumulative increase will be \$27 by the second year. Based on the 2000-01 double room rate of \$2,136, the additional debt amounts to an approximate .63 per cent room rate increase each year, for two years. The total cumulative percentage increase by the second year will be 1.3 per cent.

Upon the motion of Regent Schneiders and second of Regent Gracz the Committee approved Resolution I.3.j.

Resolution I.3.j.

That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Thirteen Residence Halls

Telecommunications Cabling Project at an estimated total project cost of \$949,000 of Program Revenue Supported Borrowing.

**I.3.k. UW-Whitewater: Esker Hall - The Kettle/Convenience Store Renovation**

This item requested authority to construct an Esker Hall The Kettle/Convenience Store Renovation project at an estimated total project cost of \$700,000 (\$600,000 Program Revenue Supported Borrowing and \$100,000 Program Revenue Cash).

This project will involve renovation of 4,146 ASF of space occupied by The Kettle, a fast food service restaurant and convenience store located on the lower level of Esker Hall, as well as a storage room. Work will relocate The Kettle's food preparation and servery areas, and the Convenience Store into an adjacent, unused storage room. Work will provide new facades, exterior doors and windows, a new outside canopy, signage, service counters, and replacement of existing fixed equipment.

Although an Esker Dining Hall Remodeling project was completed in 1999, The Kettle area was not included in the project because it was necessary to maintain it as a food service facility while the main dining facility was off line.

Project approval now will enable construction to commence in May 2001, and be completed by the beginning of the fall semester in September 2001.

Upon the motion of Regent Gracz and second of Regent Alexander the Committee approved Resolution I.3.k.

Resolution I.3.k.

That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, authority be granted to construct an Esker Hall The Kettle/Convenience Store Renovation project at an estimated total project cost of \$700,000 (\$600,000 Program Revenue Supported Borrowing and \$100,000 Program Revenue Cash).

**I.3.z. Closed Session:**

The committee adjourned to Closed session at 4:55 p.m. for the purpose of discussing real estate negotiations (UW-Madison), as permitted by section 19.85(1)(e), *Wis. Stats.* They arose from closed session with no report.

The committee arose from closed session with no report.

**Adjournment**

The Physical Planning and Funding Committee adjourned at 5:10 p.m.

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Judy Knoll, Recording Secretary