

Minutes
Physical Planning and Funding Committee
Thursday, December 4, 2003

Committee Chair Regent Gracz convened the meeting of the Physical Planning and Funding Committee at 2:38 p.m. in the Room 118 of the Lowell Center on the UW-Madison campus. Present were Regents Amato and Salas. Regent Randall was absent.

I.3.b. Approval of Committee Minutes

The minutes of the November 6, 2003 meeting of the Physical Planning and Funding Committee stood approved as distributed.

I.3.c. Report of the Vice President/Assistant Vice President

Assistant Vice President Ives reported that the Building Commission approved about \$33 M for various projects at their November meeting. (For details, please see the chart at the end of these minutes.)

Ives also reported that she is working with the Building Commission and DOA to make improvements in the building program process. The commission expects to make some recommendations early this winter that will, hopefully, save time and money. [Note: Regent Salas subsequently requested that a presentation of proposed changes be made to the Physical Planning and Funding Committee at the February 2004 meeting.]

I.3.d. UW-Madison: Wright Street Property Acquisition

This item requested authority to purchase 8.44 acres of land and a 65,399 GSF warehouse/office building located at 2102 Wright Street, Madison Wisconsin, at a cost not to exceed \$5,389,302 Program Revenue Supported Borrowing, as stipulated in the purchase option in the lease for the land and facility. This building houses UW-Madison's Materials Distribution Services (MDS) warehouse and SWAP (Surplus With A Purpose) program, both which provide services to all state agencies. The debt service will be financed with revenues derived from the MDS/SWAP programs. This project was previously enumerated as part of the 2003-05 Capital Budget.

MDS is a materials distribution center that receives, stocks, and delivers commonly used items to government customers, such as other UW System campuses, state agencies, cities and municipalities, counties, and school districts. Approximately eighty percent of the goods are used by UW-Madison.

The SWAP program, which was created in 1994 and is considered a national model for recycling, receives surplus items from government customers and either re-sells or recycles the items to university departments, other governmental units, non-profit organizations, or the general public.

The MDS and SWAP functions were moved to the Wright Street location to consolidate the functions of both those offices and provide a location that would provide accessibility by vendors to major highways and delivery points; potential future building expandability on the site; reasonableness of rental terms; and competitive acquisition cost.

In May 1998, UW-Madison entered into a lease agreement with Jerome J. Mullins and Associates, Inc. of Madison for the property and improvements at 2102 Wright Street. The facility was initially occupied in January of 1999.

The fiscal year 2002 rental cost for the 2102 Wright Street property was \$445,985 funded from MDS/SWAP program revenues. The rental costs escalate at a rate of two and one-half percent annually. Using program revenue supported borrowing to acquire the property and current building would substantially lower the annual payments as compared to leasing. Acquiring the property in 2003 and bonding \$5.3 million will fix an annual payment at approximately \$453,383. In contrast, by the end of the twenty-year rental period, the annual payment would have escalated to nearly \$671,000. The program has proven capable of paying the bonded debt. The Wright Street facility was designed and built to specifications determined by MDS and SWAP with the potential of future expansion on the undeveloped part of the property.

Upon the motion of Regent Amato and the second of Regent Salas the Committee approved Resolution I.3.d.

Resolution I.3.d.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to purchase 8.44 acres of land and a 65,399 GSF warehouse/office building located at 2102 Wright Street, Madison Wisconsin, at a cost not to exceed \$5,389,302 Program Revenue Supported Borrowing, as stipulated in the purchase option in the lease for the land and facility.

I.3.e. UW-Madison: Telecommunication Easement at the Agricultural Research Station in Arlington, Wisconsin

This item requested authority for the officers of the Board of Regents to grant a 16.5-foot wide by approximately one mile long permanent easement on UW-Madison Agricultural Research Station land at Arlington, Wisconsin to AT&T which will enable the University to participate in a class action settlement with AT&T.

There is approximately one mile of railroad right-of-way running through the University's Agricultural Research Station at Arlington. AT&T, with the permission of the railroads, but not the adjoining landowners, installed fiber optic cable along the right-of-way. Members of the class in this action, including the University, will be eligible for up to \$2.00 per lineal foot in exchange for an easement. The University's right to participate in the settlement is subject to certain qualifications contained in the class action suit. Final determination of the University's eligibility to participate in the settlement is dependent upon an examination of the University's documentation submitted in accordance with the settlement. The Office of

General Counsel will file a claim pursuant to requirements of the action. This claim documentation will enable the Claims Administrator appointed by the court to determine eligibility. Proceeds will be given to the UW-Madison Agricultural Research Station at Arlington.

Upon the motion of Regent Gracz and the second of Regent Amato the Committee approved Resolution I.3.e.

Resolution I.3.e.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the officers of the Board of Regents be authorized to grant a 16.5-foot wide by approximately one mile long permanent easement on UW-Madison Agricultural Research Station land at Arlington, Wisconsin to AT&T for fiber optic cable installed in a railroad right-of-way passing through the research station. The authority to grant the easement will enable the University to participate in a class action settlement with AT&T.

I.3.f. UW-Madison: Population Health Laboratory Renovation

This item requested authority to increase the scope of work and budget of the Medical Science Center (MSC) Generic Research Lab Renovation project by \$470,000 Gift Funds to include a Population Health Laboratory Renovation project, for an estimated revised total project budget of \$850,000 Gift Funds.

Population Health is currently located at 502 and 504 Walnut Street in space leased from the USDA. In August of 2003, notice was given that the lease for this lab will not be renewed beyond its current expiration date of August 31, 2004. This project must be completed in a timely manner in order to relocate the existing research labs prior to the termination of that lease. In order to accomplish this, staff from the Medical School, the UW's Facilities Planning and Management, and the State's Division of State Facilities have agreed that expanding the existing architectural and construction contracts for the Generic Research Lab Renovation project is the best option to meet the August 2004 deadline. This project will be very similar to the Generic Research Lab Renovation project. Both projects are of a similar scope, on the same floor in the same building, and entail similar construction conditions. Office and animal holding space is available in MSC to support the Population Health Laboratories.

The three Population Health Laboratories, will be relocated to student teaching labs on the fourth floor of the MSC. Functions currently housed in this space are being relocated to the new Health Science Learning Center. The three labs will make use of the existing perimeter walls and will reuse the existing central mechanical system. The work will include new interior walls, new laboratory benches, two new chemical fume hoods, and new room finishes.

Upon the motion of Regent Amato and the second of Regent Salas the Committee approved Resolution I.3.f.

Resolution I.3.f.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the scope of work and budget of the Medical Science Center Generic Research Lab Renovation project by \$470,000 Gift Funds to include a Population Health Laboratory Renovation project, for an estimated revised total project budget of \$850,000 Gift Funds.

I.3.g. UW-Milwaukee: Lapham Hall North Wing Remodeling (Design Report)

This item requested approval of the design report and authority to construct the Lapham Hall North Wing Remodeling project at an estimated project cost of \$9,820,800 General Fund Supported Borrowing. This project was enumerated in the 2001-03 Capital Budget. This project will complete a long-range plan to provide adequate space for biological science instructional and research space.

This project will completely gut and remodel all six floors, totaling 44,598 GSF, of the interior of the North Wing of Lapham Hall plus the building's 1,347 GSF east lobby, and renovate the building's east exterior plaza. New research and instructional labs and offices will be provided for the Department of Biological Sciences in the College of Letters & Science. New heating, ventilation, and exhaust systems will be installed and air conditioning will be added throughout the facility. All electrical, telecommunications, and plumbing systems will be replaced to serve the remodeled spaces. New floor, ceiling, and wall treatment will be provided, along with new energy efficient windows and doors. Fume hoods, environmental chambers, and research and instructional equipment will provide a completely refurbished facility.

A small portion of this project has already begun in order to minimize major disruption of research and to expedite construction of this project. That portion involves minor remodeling of 825 ASF/GSF to relocate a small Biological Sciences surgical/procedure suite currently located in the North Wing. That project was authorized for construction in July of 2003 and will be bid in November of this year, with construction work slated for completion by July of 2004. The rest of the project will be bid in January of 2005 with completion expected in April of 2006.

Upon the motion of Regent Amato and the second of Regent Gracz the Committee approved Resolution I.3.g.

Resolution I.3.g.

That, upon the recommendation of the UW-Milwaukee Interim Chancellor and the President of the University of Wisconsin System, the design report be approved and authority be granted to construct the Lapham Hall North Wing Remodeling project at an estimated project cost of \$9,820,800 General Fund Supported Borrowing. The West Wing Remodeling portion of this project was previously authorized for construction at \$474,200 (\$37,200 General Fund Supported Borrowing and \$437,000 Institutional Funds), for a combined total project budget of \$10,295,000 (\$9,858,000 General Fund Supported Borrowing and \$437,000 Institutional Funds).

The Committee then discussed item I.3.j.

I.3.j. UW-River Falls: Authority to Seek Enumeration of an Athletic Facilities Development Project

This item requested authority to seek enumeration of an Athletic Facilities Development project at an estimated total cost of \$2,206,000 (\$1,876,000 General Fund Supported Borrowing and \$330,000 Program Revenue Supported Borrowing). Assistant Vice President Nancy Ives noted that existing General Fund Supported Borrowing would be used for this project.

Assistant Vice President Ives mentioned that this project represents a small piece of a \$30 M project that the Board approved for planning in the 2003-05 biennium. She stated that the larger project will totally replace the UW-River Falls physical education facility that is outdated and too small. The larger project would add additional space to and remodel the Knowles facility which is the newer physical education facility on that campus.

This project will construct a 12,300 GSF addition to the Hunt Arena/Knowles Physical Education and Recreation Center and remodel approximately 850 GSF of existing space. The project will include: two locker rooms/shower/restroom areas, a training room, improved laundry facilities, office space, and mechanical improvements to provide air conditioning to the Knowles Center. Work will also include site excavation, relocation of water and storm sewer utilities, and landscaping.

The Kansas City Chiefs Football Club has used the athletic facilities at the UW-River Falls campus for 13 years as their summer training camp location. The surrounding community realizes an annual \$2 million positive impact to the local economy each year as a result of the annual visit by the Chiefs.

The Chiefs recently received ten proposals from non-Wisconsin schools with offers of new and/or more competitive facilities than those presently offered by the River Falls campus. The Chiefs indicated that they need better support facilities for their summer training camp such as larger, air conditioned locker rooms equipped with three-foot wide pro-style lockers, better training room facilities, and better service areas, such as laundries, to maintain their uniforms and equipment. The facilities that UW-River Falls offers need to be upgraded to be competitive enough to retain the Chiefs.

Since the needs of the Kansas City Chiefs closely match the existing long range facilities plan for UW-River Falls, the construction of this project now will not only address the needs of the Kansas

City Chiefs, but also the space needs of the UW-River Falls athletic programs primarily for football and hockey, as well as tennis, track, softball, and soccer.

All local legislators, city officials and organizations have sent letters seeking the continuing presence of the Kansas City Chiefs. The Governor has also sent a letter to the Kansas City Chiefs supporting this specific project. Legislative action in February of 2004 will enable these facilities to be in place for their 2005 summer training camp.

Upon the motion of Regent Amato and the second of Regent Salas the Committee approved Resolution I.3.j.

Resolution I.3.j.

That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to seek enumeration of an Athletic Facilities Development project at an estimated total cost of \$2,206,000 (\$1,876,000 General Fund Supported Borrowing and \$330,000 Program Revenue Supported Borrowing).

I.3.k. UW-Madison: Approval of an Appointment to the Architectural Control Committee (University Hill Farms) and the Design Review Board (University Research Park)

This item requested authority to approval of the appointment of Kim S. Meadows to serve on the Architectural Control Committee for the University Hill Farms and the Design Review Board for the University Research Park.

The Architectural Control Committee for the University Hill Farms is a designee of the Board of Regents and was established to approve buildings and other structures built or remodeled within the platted area of University Hill Farm - Commercial Reserve Addition, as permitted by the Declaration of Covenants, Restrictions and Easements for the plat of that Addition. The Design Review Board for the University Research Park reviews proposals for design, development, and construction in the University Research Park.

Due to the recent resignation of a member of this group, a replacement needs to be appointed. The vacancy available is one for a member without a professional design background. The appointment of Kim S. Meadows, who is an experienced banker, an accomplished developer, and has been active in the financing of many of the projects in the current University Research Park is endorsed by UW-Madison Chancellor John Wiley and supported by University Research Park Director Mark Bugher.

Upon the motion of Regent Amato and the second of Regent Salas the Committee approved Resolution I.3.k.

Resolution I.3.k.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to appoint Kim S. Meadows to serve on the Architectural Control Committee for the University Hill Farms and the Design Review Board for the University Research Park.

I.3.h. UW-Oshkosh: Land Use Agreement for Renovation of Titan Stadium and Acceptance of a Gift-In-Kind

This item requested authority to authority to: (1) execute a land use agreement between the Board of Regents and the UW-Oshkosh Foundation to enable the Foundation to renovate and expand the Titan Stadium, the stadium football field and surrounding practice fields, and (2) accept the gift-in-kind of the completely updated facilities valued at approximately \$5,000,000. All costs will be borne by private donations through the UW-Oshkosh Foundation. The gifts will be a combination of cash from alumni and other donors, and gifts-in-kind from contractors and supplies partnering with the Foundation. Gifts-in-kind typically include labor and materials. When the project is completed, ownership of the improvements will be gifted to the university. This project is a portion of the multi-part Titan Stadium Addition/Renovation project enumerated in the 2003-05 Capital Budget.

Chancellor Wells stated that the whole community of Oshkosh is very excited about this project because it will mean that not only will the university have a much better facility for their athletic uses, but also for Oshkosh community high schools.

The Titan Stadium Complex and surrounding practice fields were constructed in 1970 and have received no major upgrades or improvements. The facility is functionally inadequate for current collegiate activities. Construction of this project will create a multi-purpose stadium capable of hosting many different sporting events for the university and the community.

Approval of this request will enable the UW-Oshkosh Foundation to renovate the 16,038 GSF Titan Stadium and construct a 13,296 GSF addition. Improvements will occur in three phases. Phase I will replace the stadium grass football field with a synthetic surfaced field designed to accommodate both competition football and soccer. This new field will be surrounded by a new, nine-lane competition track. Phase II will renovate and expand the existing Titan Stadium. The project will include renovation and expansion of the existing varsity locker room, visiting team locker room, training room, equipment room, classroom, officials' room, varsity coaches' offices, film room, and showers. Phase III will create a plaza/courtyard entrance to the facility, including an entry with multiple gates, a new ticket booth, and new restrooms.

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

Resolution I.3.h.

That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to: (1) execute a land use agreement between the Board of Regents and the UW-Oshkosh Foundation to enable the Foundation to renovate and expand the Titan Stadium, renovate the stadium football field and surrounding practice fields, and (2) accept the gift-in-kind of the completely updated facilities valued at approximately \$5,000,000.

I.3.i. UW-Oshkosh: Taylor Hall Renovation and Authority to Seek a Waiver for a Single Prime Contract (Design Report)

This item requested (1) approval of the Design Report, (2) authority to construct the Taylor Hall Renovation project, and (3) authority to seek a waiver of s.16.855 under s.13.48 (19) to allow single prime bidding, at an estimated total project cost of \$13,000,000 Program Revenue Supported Borrowing.

Taylor Hall is a four-story plus basement, L-shaped, walk-up residence hall that was constructed in 1963 and is in need of complete rehabilitation. The majority of the infrastructure, finishes, and exterior envelope components are beyond their usable life and are in need of replacement.

This project will completely renovate the 95,241 GSF four-story, 500 bed Taylor Residence Hall. Renovation work will replace mechanical systems, install fire sprinklers, eliminate health, safety and code deficiencies, and improve access to all existing floors for those with disabilities. Air conditioning will be added to all student rooms and public spaces. Exterior improvements will include roof and window replacement, entry access improvements, security enhancements, and exterior lighting improvements. Bathrooms will be renovated and asbestos abatement will occur throughout the building. All interior finishes will be refurbished and all furnishings replaced. In compliance with a state statute, an automatic sprinkler system will be added to the building. The building will be more ADA accessible than it is presently.

The debt service for this project will be paid using a portion of the proceeds from an across-the-board ten percent fee increase planned for 2004-05; twelve percent for 2005-06; and approximately five to five and one-half percent for future years. In addition, since Taylor Hall will have more amenities than other residence halls, a \$200 per semester rate increase will be implemented for each resident of Taylor Hall. The 2003-04 room rate is \$1,139 per semester, per student for a double occupancy room. A portion of summer conference center revenue will be used to reduce the amount of the ten percent across-the-board increase.

The university is seeking a waiver to allow single prime bidding in order to expedite construction of this project. Due to the rather large scope of project work, the building will need to be closed during the 2004-05 academic year and the summer of 2005. Because there will be a very tight construction timeline, the use of a single prime contractor will provide better control and improve schedule coordination to assure that the Taylor Hall project is completed when needed.

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

Resolution I.3.i.

That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to: (1) construct the Taylor Hall Renovation project, and (2) seek a waiver of s.16.855 under s.13.48 (19) to allow single prime bidding, at an estimated total project cost of \$13,000,000 Program Revenue Supported Borrowing.

Adjournment

The meeting of the Physical Planning and Funding Committee adjourned at 3:18 p.m.

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November 2003 SBC Actions for December 2003 PPF Committee Meeting		
Campus	Project / Funding	Amt. Approved
MSN	Camp Randall and Kohl Center Scoreboard Replacement	
	\$6,400,400 Program Revenue Supported Borrowing	
		\$6,400,400
MSN	Camp Randall Seating Risers and Restroom Maintenance	
	\$2,772,100 Program Revenue Supported Borrowing	
	\$4,158,100 General Fund Supported Borrowing Facilities Maintenance and Repair	
		\$6,930,200
MSN	Camp Randall Sports Center Maintenance	
	\$727,900 Program Revenue Supported Borrowing	
	\$1,091,900 General Fund Supported Borrowing - Facilities Repair and Renovation	
		\$1,819,800
RVF	Dairy Science Teaching Center	
	\$6,713,000 General Fund Supported Borrowing	
	\$500,000 Gift Funds	
		\$7,213,000
SYS	Various Maintenance and Repair Projects	
	\$6,010,800 GFSB-Facilities Repair and Renovation	
	\$4,718,100 GFSB-Utilities Repair and Renovation	
		\$10,728,900
	November SBC Meeting TOTAL	\$33,092,300