

**Minutes**  
**Physical Planning and Funding Committee**  
**Thursday, June 10, 2004**

The joint meeting of the Physical Planning and Funding Committee and the Business and Finance Committee was convened at 2:58 p.m. in Union, Room E280 on the UW-Milwaukee campus. Present were Regents Amato, Bradley, Connolly-Keesler, Gottschalk, Randall, Rosenzweig and Salas. Regent Gracz was absent. Regent Vice President Walsh was also present.

The Physical Planning and Funding Committee and the Business and Finance Committee met jointly to hear presentations. A description of *Higher Education Capital Financing Options* can be found in the Business and Finance Committee Minutes of June 10, 2004.

**I.3.a. UW-Milwaukee Presentation: *Exploring Columbia/St. Mary's Facility to meet University and Community Needs*** Interim Vice Chancellor Monica Rimai discussed the growth of the UW-Milwaukee campus from an original 31 acres to its present 103 acres. Rimai stated that the acquisition and development of the Columbia/St. Mary's (CSM) campus would add an additional 828,000 GSF to UW-Milwaukee's existing campus of 4,317,000 GSF. She continued by explaining the critical space need faced by UWM that would be solved by the development of the CSM project such as:

- the request of 475,000 square feet of addition space by more than 50 UWM departments,
- the need of more accessible student services which is now hampered by multiple locations.
- the great need for additional campus parking, and
- the demand for additional student housing.

Rimai continued by saying that a feasibility study for this project was informed by student needs, growing programs that are responsive to state economic need, investigation of alternative space, and neighborhood concerns. She explained that UWM is exploring options of project financing such as:

- traditional GPR / PR bonding route,
- non-Profit 501(c)(3) development,
- developer/university partnership,
- hospital/university partnership for development, and
- opportunities of a Tax Incremental Financing District

Rimai asked for the Board's help in providing support and commitment to make this project happen

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

The minutes of the May 6, 2004 meeting of the Physical Planning and Funding Committee were approved as distributed.

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

Assistant Vice President Nancy Ives reported that the Building Commission approved about \$41.3 M for various projects at their May meeting. (For details, please see the chart at the end of these minutes.)

**I.3.d. UW-Green Bay: Conveyance of Land**

This item requested authority to convey a .79-acre parcel of arboretum land to the Wisconsin Department of Transportation (WisDOT) for \$19,800 for highway reconstruction purposes.

The WisDOT needs this parcel, located at the main entrance to the campus at the intersection of Highways 54/57 and Bay Settlement Road in Green Bay, Wisconsin, to begin reconstruction of the interchange at that location. The project will replace the existing at-grade intersection with a Hwy 54/57 overpass interchange and associated ramps. The completed project will improve safety at the intersection by replacing it with a divided four lane highway overpass and associated on and off ramps. Because of the proximity of the southeast entrance of the campus, the project will improve campus access by providing a signaled intersection and turning lanes.

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

Resolution I.3.d.

That, upon the recommendation of the UW-Green Bay Chancellor and the President of the University of Wisconsin System, authority be granted to convey to the Wisconsin Department of Transportation (WisDOT) a .79-acre parcel of arboretum land located at the intersection of Highways 54/57 and Bay Settlement Road, Green Bay, Wisconsin, for \$19,800.

**I.3.e. UW-Madison: Biochemistry NMR Suite Renovation**

This item requested authority to construct a Biochemistry Spectrometer Laboratory Remodeling project at an estimated cost of \$213,000 Grant Funds.

The National Magnetic Resonance Facility at UW-Madison is a biomedical technology research resource center funded by the National Institute of Health and located in approximately 11,600 ASF in the Biochemistry Building Addition.

Two new and one expanded grant-funded projects at the facility each require additional spectrometers, and there is no space available to locate them within the facility. This project will remodel approximately 650 assignable square feet (ASF) of the basement of the Biochemistry Building Addition to accommodate three 600 MHZ spectrometers. The interior finishes, furnishings, and infrastructure systems will be renovated or replaced. Project work will include: new supply and return air ductwork; a new dedicated emergency exhaust system; connection to the building's chilled water loop; installation of 208 volt, three-phase power at each spectrometer location; installation of liquid nitrogen and helium recovery piping services; installation of room oxygen sensors and room temperature controls; and an ethernet telecommunication system extension.

Upon the motion of Regent Randall and the second of Regent Amato the Committee unanimously 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, authority be granted to construct a Biochemistry Spectrometer Laboratory Remodeling project at an estimated cost of \$213,000 Grants Funds.

**I.3.f. UW-Madison: North Park Street Development**

This item reflects a technical change in the approval received in May 2004 for development of a North Park Street Development project. In May, the Board of Regents authorized entering into a lease with University Research Park (URP) for these purposes. Costs presented at that time assumed that URP would secure double tax-exempt financing for the construction that would be undertaken by a developer. The State Department of Administration continued their review of that proposal, and recommended that, instead of involving URP in this particular instance, the transaction be handled by leasing the facilities directly from the developer, including options to purchase. The state suggested that this project be undertaken with a private developer because the URP was not distant enough from the university. This change in how to handle the transaction could increase the approved annual lease costs of \$5,704,000 by up to \$546,000. Those higher costs will be prorated among the project programs of administration (45%), housing (44%) and transportation services (11%).

In response to a question by Regent Walsh, Alan Fish explained that the new layout of student housing will better meet the requirements of today's students who expect a residence hall to be more of a community that provides more common space for both socializing and studying than residence halls of the past.

Regent Randall commented that he was not supportive of the cost arrangement to provide this new project. He said he felt the costs would ultimately be higher than anticipated by the campus.

Upon the motion of Regent Amato and the second of Regent Salas the Committee approved Resolution I.3.f. Regents Salas and Amato voted Yes. Regent Randall voted No.

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:

- (a) enter into a ground lease with Park Street Properties I, LLC (the owner/developer) to allow construction of:
  - a 139,000 gross square feet (GSF) office building and 335-stall parking ramp on UW-owned properties at 13-21 North Park Street and 8 North Murray Street (garage/fleet site), and
  - a 15,000 GSF garage facility on a portion of current Parking Lot 51, located at 27 North Charter Street.
  
- (b) enter into a lease agreement with the owner/developer with options to purchase beginning in 2006 for:
  - a newly constructed 425 bed residence hall located on properties at 29-41 North Park Street and 101-103 North Park Street,

- the newly constructed office building and parking structure at 13-21 North Park Street and 8 North Murray Street, and
  - the newly constructed garage facility at 27 North Charter Street
- (c) enable Park Street Properties I, LLC to connect these facilities to the central campus utilities and undertake landscaping and site work on adjacent university property in Murray Street and Murray Mall.

**I.3.g. UW-Oshkosh: Newman Center Lease**

This item requested authority to lease 27,360 square feet (SF) of office and support space at 717 W. Irving Street, Oshkosh, Wisconsin from the UW-Oshkosh Foundation.

The lease covers the period from July 1, 2004 through June 30, 2007, at an annual rate of \$120,000 (\$4.39/SF). UW-Oshkosh will pay utilities, maintenance, and housekeeping costs estimated to be \$140,000 annually (\$5.12/SF) for a total annual lease cost of \$260,000 (\$9.51/SF) by using institution funds. The lease provides no renewal options but does include an option to purchase.

This facility will house the Division of Academic Support Services consisting of the multicultural retention program, pre-college program, and student support services as well as the division's administrative staff and the Women's Center. The consolidation of these groups from their present locations in Dempsey Hall to this leased facility will allow for the decompression of groups occupying adjacent Dempsey Hall space.

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

Resolution I.3.g.

That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to lease 27,360 square feet (SF) of office and support space at 717 W. Irving Street, Oshkosh, Wisconsin from the UW-Oshkosh Foundation.

**I.3.h. UW-Stout: Campus Boundary Expansion and Land Acquisition**

This item requested authority to expand the UW-Stout campus boundary and to acquire a .87-acre vacant parcel of land to develop a parking lot at a cost of \$80,800 Program Revenue Cash-Parking. The total cost includes the land cost of \$78,900 plus \$1,900 appraisal and closing expenses in accordance with the provision of Section 20.914 of the Wisconsin Statutes.

UW-Stout has a 676 parking stall deficit based on 2,554 stalls available and a planning target of 3,230 stalls. The acquisition of this parcel and expansion of parking lot 17 will reduce the deficit by adding an additional 90 parking stalls to lot 17.

The city has been filling the site with engineered fill and the purchase price of the parcel is the average of two appraisals for the filled site. The city has permitted the university to dispose of excavation materials on this site from two university building projects (the new athletic stadium project and the suite style

residence hall project). This has offered the university considerable savings on those projects rather than having to truck excavation materials for those projects to more distant sites.

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

Resolution I.3.h.

That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, authority be granted to expand the campus boundary and to acquire a .87-acre vacant parcel of land to develop a parking lot at a cost of \$80,800 Program Revenue Cash - Parking. The total cost includes the land cost of \$78,900 plus \$1,900 appraisal and closing expenses in accordance with the provision of Section 20.914 of the Wisconsin Statutes.

**I.3.i. UW System: Program Revenue Maintenance Projects**

This item requested authority to construct various maintenance, repair, and renovation projects at an estimated total cost of \$1,277,300. These items represent high priority University of Wisconsin System infrastructure maintenance, repair, renovation, and upgrade needs.

**Facilities Maintenance and Repair Requests** - The UW-Stout Price Commons Roof Replacement (\$194,000) project will replace the existing aged roof with a new membrane roofing system.

**Utilities Repair and Renovation Requests** - (The projects listed below will not result in a fee impact to students.)

- The UW-La Crosse Cowley Hall Parking Lot Reconstruction (\$348,300) project will redesign and reconstruct the 167-stall Cowley Hall parking lot, which has deteriorated due to substructure problems.
- The UW-Parkside Communication Arts Parking Lot Repaving (\$495,000) project will reconstruct a 756-stall Communication Arts parking lot and. The project will include the installation of a drainage system under the paved surface to correct past base deterioration problems.
- The UW-Platteville East Campus Parking Lot Construction (\$240,000) project will raze an existing house and construct a new 130-stall bituminous parking lot and install appropriate lighting on university-owned property. The additional 130 parking stalls provided by this lot will help satisfy the demand for staff and commuter parking.

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

Resolution I.3.i.

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$1,277,300 (\$97,000 Program Revenue Supported Borrowing (PRSB) – Facilities Maintenance and Repair, \$240,000 PRSB – Utilities Repair and Renovation, and \$940,300 Program Revenue Cash).

**I.3.j. UW System: Classroom Renovation/IT Improvements**

This item requested authority to: (1) construct various Classroom Renovation/Instructional Technology Improvement projects for the University of Wisconsin System, at a cost of \$4,114,945 (2) transfer balances and adjust budgets and (3) use institutional and non-GPR funding sources on an as-needed basis.

This project will continue in-building wiring at several institutions and provide classroom renovation, technology improvements, and teleconferencing upgrades. The Board of Regents recommended continuation of this program at \$15 million as part of the 2003-05 Capital Budget and it was subsequently enumerated at \$5 million.

This undertaking will update about 60 renovated classrooms (51,000 assignable square feet) with appropriate technology. Instructional technology will include equipment such as video projectors, audio playback, multi-media computers, VCR's, laser disks and AV controls. Various maintenance needs and improvements in the learning environment will be undertaken such as lighting, flooring, HVAC, acoustics, and seating.

Flexibility will be provided for the addition of projects, the adjustment of budgets, and the transfer of balances from prior classroom renovation and wiring projects as they are closed. This will allow additional, high-priority classroom renovation projects to be undertaken within the scope of this program as additional funding becomes available.

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

**Resolution I.3.j.**

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to: (1) construct various Classroom Renovation/Instructional Technology Improvement projects for the University of Wisconsin System, at an estimated total cost of \$4,114,945 (\$4,000,000 2003-05 General Fund Supported Borrowing and \$114,945 Classroom Modernization/Institutional Funds) and (2) expand the capacity of this program by utilizing Institutional and non-GPR funding sources on an as-needed basis.

**Adjournment**

The meeting of the Physical Planning and Funding Committee adjourned at 4:15 p.m.

<b>May 2004 SBC Actions for June 2004 PPF Committee Meeting</b>		
<b>Campus</b>	<b>Project / Funding</b>	<b>Amt. Approved</b>
<b>LAC</b>	Residence Hall (DR) 22,344,000 Program Revenue Supported Borrowing	\$22,344,000
<b>LAC</b>	Drake Hall Fire Alarm System Replacement Budget Increase 48,000 Program Revenue-Cash	\$48,000
<b>MSN</b>	Land Exchange (CUNA)	\$0
<b>MSN</b>	Camp Randall Stadium Expansion/Renovation Project Budget Increase - \$7,804,500 PR Revised total project cost of \$107,305,900 (Action required 3M more in Gifts, 3M less GPR) \$85,104,900 PR \$6,401,000 Gifts/Grants \$15,800,000 GFSB	\$7,804,500
	\$7,804,500 Program Revenue Supported Borrowing	\$7,804,500
<b>MSN</b>	Kohl Center Dining Space 350,000 Gift Funds - Athletics	\$350,000
<b>PLT</b>	Suite Style Residence Hall (private development) - <b>WITHDREW</b>	\$0
<b>PLT</b>	Greenhouse Ornamental Gardens Project Budget Increase \$31,000 Program Revenue Cash	\$31,900
<b>RVF</b>	Hunt Knowles Athletic Facilities Project - DR and authority to construct 1,876,000 Existing General Fund Supported Borrowing 616,000 Program Revenue - Cash	\$2,492,000
<b>STP</b>	Sunset Lodge Renovation/Addition Project - Lease transfer to DOA & construction authority \$200,000 Existing Gifts/Grants \$200,000 All Agency Funds \$100,000 Program Revenue - Cash	\$500,000
<b>May SBC Meeting TOTAL</b>		<b>\$41,374,900</b>