

Minutes
Physical Planning and Funding Committee
Thursday, May 6, 2004

Committee Chair Regent Gracz convened the meeting of the Physical Planning and Funding Committee and the Business and Finance Committee at 1:40 p.m. in Room 1820 of Van Hise Hall on the UW-Madison campus. Present were Regents Amato, Connolly-Keesler, Gottschalk, Randall, Rosenzweig and Salas. Regent Bradley was absent.

I.3.a. UW-Madison: Camp Randall Stadium Expansion/Renovation Budget Increase

Associate Vice Chancellor Alan Fish explained that the increase will pay for higher bids on part of Phase II and work in the east side which had been postponed until funding became available. The request was to fund the increase using program revenue supported bonding. Mr. Fish reported that the athletic department has sold all its new suites, specialty seats, and season tickets as well as raised 95% of the gift funding for this project. Regent Gottschalk noted that the athletic department was a victim of unavoidable circumstances in regard to the need for an increase to the budget of this project. After discussion, the committees approved an amendment to the resolution suggested by Regent Randall that any future gifts specifically for this project should be used to offset at least 50 percent of the additional amount of the program revenue supported borrowing requested. Fish agreed to report back to the Board about progress in raising the additional funds.

Upon the motion of Regent Gottschalk and the second of Regent Amato the Committee unanimously approved Resolution I.3.a. as revised.

Revised Resolution I.3.a.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget of the Camp Randall Stadium Expansion/Renovation project by \$7,804,500, Program Revenue Supported Borrowing, for a revised total project cost of \$106,904,900 (\$85,104,900 Program Revenue Supported Borrowing, \$6,000,000 Gift Funds, and \$15,800,000 General Fund Supported Borrowing). Any future fundraising specifically for this project should be used to offset at least 50% of the additional amount of Program Revenue Supported Borrowing requested.

Alternatives for Addressing the Utility Budget Shortfall

Rob Cramer, Administrator of the Division of State Facilities, spoke to the committees about *Energy Conservation Issues and Opportunities* as part of a discussion of alternatives for addressing the utility budget shortfall. Cramer reported that UW System campuses have worked with the Wisconsin Energy Initiative to reduce energy usage per square foot. Ultimately, this will achieve a \$6M annual savings. Cramer stated that DOA will pilot a focused energy reduction initiative with the UW Colleges,

UW-Eau Claire, UW-Oshkosh, and UW-Madison campuses with a goal of both a financial and environmental impact reduction. More details on the discussion of this item can be found in the minutes of the Business and Finance Committee.

The joint meeting ended at 2:58 p.m. After a five minute break, Regent Gracz reconvened the meeting of the Physical Planning and Funding Committee. Present were Regents Amato, Randall and Salas.

I.3.b. Approval of Committee Minutes

The minutes of the April 1, 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 \$ 7.5 M for various projects at their April meeting. (For details, please see the chart at the end of these minutes.) Ives mentioned that a new Request For Proposals was released for the UW-Milwaukee Kenilworth project and that the interviews of finalists are scheduled for the first week of June. She indicated that the results of those negotiations should be ready for Regent action in September.

I.3.d. Discussion of UW System Six-Year Development Plans

Assistant Vice President Nancy Ives provided the Committee with an overview of the six-year facility plans of the UW System institutions. She indicated that all institutions need to remodel existing space and provide additional space to accommodate current teaching and learning methods. She noted that there are more than 20 buildings that need to be torn down which include academic as well as program revenue facilities. Ives stated that the facilities needs are extensive and will require significant funding.

United Council President Jeff Pertl spoke to the Committee and expressed continuing interest in working with System Administration staff and the need to keep students involved in facilities planning.

I.3.e. UW-La Crosse: Residence Hall Construction (Design Report)

This item requested approval of the Design Report and authority to construct a Residence Hall project at an estimated total cost of \$22,244,000 of Program Revenue Supported Borrowing. This project was enumerated as part of the 2003-05 Capital Budget.

This project will build a new suite style residence hall on the site of the forty-seven year old Reuter Residence Hall which will be demolished. There is a lack of contemporary residence hall facilities at UW-La Crosse and the students have expressed a strong preference for suite style living accommodations with private bedrooms, semi-private bathrooms, and a kitchen and a common living area. The construction of a new residence hall will provide the institution with a larger, 356-bed suite style residence facility. The building will include additional spaces such as: a seminar room, a group study/lounge, a computer lab, and a large shared kitchen for use during hall community gatherings.

This project will also install telecommunications to accommodate current as well as anticipated future residence hall needs.

Although this new building will be larger than Reuter Hall, operating expenses for it are expected to remain approximately the same because the number of custodians assigned to the building will not change since the new building will not have the large group toilet/shower facilities that require frequent custodial cleaning. The utility expenses for the new building are expected to be higher than the existing building since the new residence hall will be larger than the one being demolished, however, the new building will be much more energy efficient than the existing facility.

The cost of this project is being funded by increased rates for the existing residence rooms on campus as well as a premium rate that will be charged for the rooms in the new residence hall. It is anticipated that the room rate for the new residence hall will be approximately \$3,900 per year when it opens in 2006. This is consistent with the anticipated average rates for suite/apartment style housing at other UW institutions that offer comparable accommodations.

The start of construction is scheduled for early spring of 2005 with completion expected in July 2006.

Upon the motion of Regent Randall and the second of Regent Salas the Committee unanimously approved Resolution I.3.e.

Resolution I.3.e.

That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Residence Hall project at an estimated total cost of \$22,244,000 of Program Revenue Supported Borrowing.

I.3.f. UW-Madison: Park Street Lease of Facilities

This item requested authority: (a) to enter into a ground lease with University Research Park to allow construction of: a 139,000 GSF office building and 330 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/fleet facility on a portion of current parking lot 51, located at 27 North Charter Street, (b) to enter into a lease agreement with URP Development, LLC to fully amortize the financing over a period of thirty-two years for the newly constructed office building and parking ramp at 13-21 North Park Street and 8 North Murray Street, the newly constructed garage/fleet facility at 27 North Charter Street, and a newly constructed 425 bed residence hall located on properties at 29-41 North Park Street and 101-103 North Park Street, and (c) to grant easements as necessary for URP, Inc. to [1] connect these facilities to the central campus utilities, and [2] undertake landscaping and sitework on adjacent University property in Murray Street and Murray Mall.

The North Park Street site of this project was identified in the 1996 Campus Master Plan to be an area for possible joint public/private development, and an area for creation of a visitor information gateway. Part of the site is vacant property, and part houses the University's fleet and garage operation. The University's East Campus Development Plan calls for the creation of a contemporary and technologically advanced arts and humanities district, consolidation of campus student services along a

new pedestrian corridor and the construction of contemporary university residence halls to improve the undergraduate student living experience. This North Park Street Development project allows the campus to take the first step in achieving its vision for the redevelopment of the east campus area. Working through the URP Development, LLC allows the University to partner with a private developer to design and complete this project in the manner that provides the best price and timely completion.

This project is the next step in the East Campus Development Plan. This particular project will involve private construction and a lease to the university of a 330 stall parking ramp, 139,000 GSF office building and 162,000 GSF residence hall southeast of the Park Street overpass and north of Regent Street. In addition, this project will relocate the current garage/fleet facilities on that block to a site on North Charter Street.

The parking ramp will accommodate visitor and short term parking on the first level and include space at street level for a campus visitor and information center, and Transportation customer services. A three story office building consisting of approximately 139,000 GSF will be constructed on top of the parking ramp. Administrative offices and support space for UW Business Services and Facilities Planning and Management will be located on three floors of the structure. The 162,000 GSF suite style residence hall will consist of six stories plus a partial basement. It will house approximately 425 residents. The project landscaping design will incorporate the adjacent East Campus Pedestrian Mall and city bike path.

The 15,000 GSF garage/fleet facility on Charter Street will consist of 12 standard size vehicle bays, two oversized bays, and one oversized wash bay. This facility will include offices and work areas.

The budget for this project and the terms of the proposed lease are currently being negotiated. Rental payments will be provided from a combination of program revenue and institutional funds available to UW-Madison.

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

Resolution I.3.f.

- (a) to enter into a ground lease with University Research Park (URP) to allow construction of:
 - a 139,000 GSF office building and 330 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/fleet facility on a portion of current parking lot 51, located at 27 North Charter Street.

- (b) to enter into a lease agreement with University Research Park to fully amortize the financing over a period of thirty-two years for:
 - the newly constructed office building and parking ramp at 13-21 North Park Street and 8 North Murray Street,
 - the newly constructed garage/fleet facility at 27 North Charter Street, and
 - a newly constructed 425 bed residence hall located on properties at 29-41 North Park Street and 101-103 North Park Street.

- (c) to grant easements as necessary for University Research Park to [1] connect these facilities to the central campus utilities and [2] undertake landscaping and sitework on adjacent University property in Murray Street and Murray Mall.

I.3.g. UW-Madison: Engineering Centers Building Scope/Budget Increase

This item requested authority to increase the budget of the Engineering Centers Building project by \$140,000, General Fund Supported Borrowing – WISTAR.

The Engineering Centers Building is a three story, multidisciplinary facility comprised of 135,854 ASF/204,000 GSF for engineering education and research activities. The work on this project is essentially complete, and the budget increase is needed to cover an unanticipated project cost overrun. When the Madison Fire Department completed their inspection of the project they determined that additional fire alarm and gas detection alarm components and controls were required for the Clean Room zone of the building. The cost of these items totaled approximately \$70,000 and came at a time when the project contingency was essentially depleted. The additional amount of the increase will be used for other miscellaneous expenses that have occurred and final contingency expenses that might occur as the project is closed out. Any unused project funds will be reverted to the funding source.

Upon the motion of Regent Gracz 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-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget of the Engineering Centers Building project by \$140,000, General Fund Supported Borrowing – WISTAR, for a revised total cost of \$53,540,000 (\$23,090,000 GFSB-WISTAR and \$30,450,000 Gifts and Grants).

I.3.h. UW-Madison: Kohl Center Dining Space

This item requested authority to construct a Kohl Center Dining Space project, at a total project cost of \$350,000 Gift Funds-Athletics.

There is a need at the Kohl Center for an upscale location to host donors and significant patrons in an "Ambassador Club" type setting, in close proximity to the events taking place. This project will create a 3200 ASF enclosed lounge within the second floor Kellner Concourse at the Kohl Center where catered dining from food service carts/equipment and bar services will be available to patrons. The space will accommodate seating for 150 with an additional space for 80 persons to mingle.

Plumbing and electrical services will be extended as necessary to support the lounge operations and an air handler will be added to ventilate the space. The project is expected to be substantially completed by the 2005-06 basketball/hockey season.

The project presents a new and untapped revenue-generating source for the department. The Athletic Department's goal is to have the space constructed and substantially complete by the 2005-2006 basketball/hockey seasons.

Upon the motion of Regent Randall and the second of Regent Gracz the Committee unanimously 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 Kohl Center Dining Space project, at a total project cost of \$350,000 Gift Funds-Athletics.

I.3.i. UW-Platteville: Authority to Issue a RFP for Student Housing

This item requested authority to issue a Request For Proposals (RFP) for the private development of a new suite style residence hall on the UW-Platteville campus. The RFP will provide options for private versus university operation and long-term ownership. The responses will be reviewed for such features as quality of facilities and cost to students. The results will be presented to the Board of Regents for approval.

This residence hall project is required to support a student population growth from 5,800 to 7,800 students beginning in 2005 and reaching 7,800 students in 2011 through the Regent approved Tri-State Initiative. The nine existing UW-Platteville residence halls are currently operating at overflow capacity, housing 2,400 students in spring 2004. No existing residence hall will be replaced by this project. The campus currently has a housing demand to fill a 320-bed residence hall, even without consideration of the enrollment increases that are expected to occur through the Tri-State Initiative. The residence hall must be ready for occupancy in August 2006.

The approval of this item will enable the university, through the Department of Administration, to issue an RFP for private development of a suite-style residence hall building of approximately 120,000 GSF to accommodate 320 freshman and sophomore students. Each furnished suite will be designed for occupancy by four to five students. The proposed construction site is an undeveloped area immediately west of the existing outdoor track.

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

Resolution I.3.i.

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted to issue a Request For Proposals (RFP) for the private development of a new suite style residence hall on the UW-Platteville campus.

I.3.j. UW-River Falls: Hunt/Knowles Locker Room Addition

This item requested approval of the design report and authority to construct a Hunt/Knowles Athletic Facilities project at a total estimated cost of \$2,492,000 (\$1,876,000 Existing General Fund Supported Borrowing and \$616,000 Program Revenue - Cash). Enumeration of this project was included in Senate Bill 474, signed into law in early April 2004.

A critical review of the university's space needs in 1999 revealed a space deficit of 16,000 assignable square feet of space for the Hunt/Knowles complex even for University purposes. The complex lacks enough locker space, training space, laundry facilities, storage space, office space, a classroom, and spectator seating. In addition, this project will address the needs of the Kansas City Chiefs who have used the UW-River Falls campus for 13 years as their summer training camp location. The Chiefs have indicated that they require improved facilities for the needs of their summer training camp. Constructing this project now not only will address needs for the Kansas City Chiefs during their summer visits which contribute an annual two million dollar positive economic impact on the local economy, but it will provide improved facilities that will primarily be used by the UW-River Falls athletic programs including football, hockey, and other sports.

This project will construct a 14,365 GSF addition to the Hunt Arena/Knowles Physical Education and Recreation Center. The addition will include: locker rooms, showers, restroom areas, a training room, a skate sharpening room, offices, an exam room and workroom. Laundry areas will be remodeled and air conditioning will be added to the Knowles Center. This project is expected to be completed in time for the start of the 2005 Kansas City Chiefs summer training camp.

Upon the motion of Regent Randall and the second of Regent Salas the Committee unanimously 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 the Design Report be approved and authority be granted to construct a Hunt/Knowles Athletic Facilities project at a total estimated cost of \$2,492,000 (\$1,876,000 Existing General Fund Supported Borrowing and \$616,000 Program Revenue - Cash).

I.3.k. UW-Stevens Point: Lease and Renovation/Addition at Central Wisconsin Environmental Station

This item requested authority to transfer the existing UW-Stevens Point Foundation lease to the Department of Administration, and authority to construct a renovation and addition of Sunset Lodge at the Central Wisconsin Environmental Station (CWES) at a total estimated cost of \$500,000, (\$200,000 of existing Gift and Grants, \$200,000 of Agency funds, and \$100,000 Program Revenue Cash).

This project will expand and renovate Sunset Lodge at the UWSP College of Natural Resources Field Station, Central Wisconsin Environmental Station (CWES). The renovation will include the removal

of the current wood frame, slab-on-grade, dining-assembly hall, porch, and restrooms (2071 GSF) and replacement of that space with 3300 GSF of assembly space, offices and restrooms. The existing septic system will be replaced and the entire building will be re-roofed. The existing lease between the UW Stevens Point Foundation and the owner will be changed to be a lease between DOA and the owner to enable conducting a state project for the above purposes.

This station is the outdoor environmental education teaching laboratory and training site for the College of Natural Resources at UW-Stevens Point and serves approximately 13,000 visitors a year. Children from sixty different K-12 schools from districts throughout the state visit the station annually for environmental education activities. UW-Stevens Point students majoring in EE gain significant student teaching and practicum experience by serving as instructors for the K-12 students.

Sunset Lodge houses the business offices, kitchen, dining-assembly, and two limited access restrooms. At this time, due to use and aging, the lodge is in need of major repairs including: a new roof; a new septic system, adequate and accessible restrooms; a tornado shelter, improved water pressure and more storage capacity. Expansion of the dining space is needed because many of the larger school groups have to eat in two shifts which results in loss of valuable program time. The dining area ceiling, walls, wood sash windows, and floors have deteriorated due to high use and/or age and need replacement. The present two-fixture-each restrooms clearly do not have enough capacity to handle visitor traffic at breaks and when bus-loads of children arrive.

A proposed timeline includes plan and design during 2004 with construction in spring 2005. The grant dollars available for the project will lapse in fall 2004 if not encumbered.

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

Resolution I.3.k.

That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to transfer the existing lease to the Department of Administration, and authority to construct a renovation and addition of Sunset Lodge at the Central Wisconsin Environmental Station (CWES) at a total estimated cost of \$500,000, (\$200,000 of existing Gift and Grants, \$200,000 of Agency funds, and \$100,000 Program Revenue Cash).

Adjournment

The meeting of the Physical Planning and Funding Committee adjourned at 3:45 p.m.

April 2004 SBC Actions for May 2004 PPF Committee Meeting		
Campus	Project / Funding	Amt. Approved
EXT	Wisconsin Public Radio Equipment Replacement	
	205,000 General Fund Supported Borrowing	
	150,000 Grants	\$355,000
MSN	21st Century Telecommunications Phase I	
	1,482,900 GFSB - UW Classroom/Inst Tech	
	1,000,000 GFSB - UW-Madison Utility Distrib Improvements	
	1,003,100 GFSB - Facility Maintenance & Repair	
	747,000 GFSB - Utilities Repair and Renovation	\$4,233,000
MSN	Marshfield Ag Research Station - USDA demolish & construct new lab/office building	
SYS	Various Maintenance and Repair Projects	
	643,000 Facilities Maintenance/Repair	
	595,100 GFSB - Utilities Repair and Renovation	
	1713000 PRSB - Utilities Repair and Renovation	\$2,951,100
	April SBC Meeting TOTAL	\$7,539,100