

Minutes
Physical Planning and Funding Committee
Thursday, August 17, 2006

Committee Chair Regent Salas convened the meeting of the Physical Planning and Funding Committee at 1:07 p.m. in the Room 1511 of Van Hise Hall. Present were Regents Bartell and McPike.

I.3.a. Approval of the Minutes of the June 8, 2006 Meeting of the Physical Planning and Funding Committee

Upon the motion of Regent McPike, and the second of Regent Bartell, the minutes of the June 8, 2006 meeting of the Physical Planning and Funding Committee were approved as presented with the addition of Regent Bartell to those listed as present at the June meeting.

Regent Salas mentioned that at the August 2nd budget briefing meeting the Board approved an item brought by UW-Whitewater requesting construction of an Athletic Pavilion and subsequent acceptance of the completed facility as a gift-in-kind from the UW-Whitewater Foundation. Salas remarked that because this item needed prompt action by the Board to meet the deadline for the next building commission meeting, it was brought to the full Board for approval during the briefing meeting in early August.

I.3.b. UW-Milwaukee: Authority to Sell Property at 4430 North Lake Drive, Shorewood, Wisconsin

This item requested approval to sell the chancellor's residence property (approximately .85 acre) located at 4430 North Lake Drive, Shorewood, Wisconsin, at a price not less than the average of two appraisals which have been completed to establish an estimated fair market value. Costs for property appraisals, inspection services, title insurance, closing costs, sale preparations, and real estate commissions, if applicable, will be deducted from the proceeds of the sale.

In 1999, an ADA accessibility compliance study to evaluate the facility's use as a place of public accommodation concluded that significant modifications costing approximately \$295,000 would need to be made to the house to provide adequate accessibility. The various maintenance and upgrade items were deferred, however, pending a determination of the long-term future of the facility.

A campus advisory committee which studied potential uses for the residence could not identify any appropriate or cost effective use and recommended that the property be sold.

Assistant Vice President David Miller stated that it would be too costly to remodel the house to the extent that it could be used as a place of public accommodation. Regent Salas commented that it is the issue of the extent of repairs that need to be made in order to hold public functions at the chancellor's residence that supports the sale of this property.

Regent Salas stated that he strongly felt the Board should determine whether it wants to continue to provide a residence for future chancellors and what should be done with the proceeds of the property sale. Salas recommended that the committee consider whether the sale proceeds should be put into a trust so the Board would have the resources to provide a residence for a future UW-Milwaukee chancellor, if it so chose.

Miller suggested that the Board could hold the proceeds of the sale in the UW System trust funds account and that the yield from those proceeds could be used by the campus for other purposes until the Board decides whether or not it should have a chancellor's residence at UW-Milwaukee.

Regent McPike asked for clarification regarding whether the proceeds of property sold by the universities after 2007 would revert to the budget stabilization fund. Associate Vice President Harris explained that they would as the law is now written, however, she continued by saying that UW System is working to get that 2007 deadline extended.

After discussing this item the committee requested that the resolution be revised to include the additional statement below:

In addition, the net proceeds of the sale shall be held as a trust fund of the Board until a campus plan is presented, subject to the Board's approval, regarding disposition of those funds including a consideration of whether or not UW-Milwaukee should have an official Chancellor's residence. So long as the principle remains as a trust fund, the earnings on such fund shall be provided to UW-Milwaukee for university purposes.

Upon the motion of Regent Bartell and the second of Regent McPike the Committee approved Revised Resolution I.3.b.

Revised Resolution I.3.b.

That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted to sell the Chancellor's Residence property (approximately .85 acre) located at 4430 North Lake Drive, Shorewood, Wisconsin, at a price not less than the average of two appraisals. In addition, the net proceeds of the sale shall be held as a trust fund of the Board until a campus plan is presented, subject to the Board's approval, regarding disposition of those funds including a consideration of whether or not UW-Milwaukee should have an official Chancellor's residence. So long as the principle remains as a trust fund, the earnings on such fund shall be provided to UW-Milwaukee for university purposes.

I.3.c. UW-Oshkosh: Authority to Purchase Property for Administrative Purposes

This item requested authority to purchase a property at a cost not to exceed \$2,455,700 General Fund Supported Borrowing. The property is a .62 acre parcel of land with a 28,700 gross square foot building located at 717 West Irving Avenue, Oshkosh, and will be purchased at a cost not to exceed \$2,455,700. An estimated \$5,700 of associated appraisal and closing costs is included in the purchase price. The property value of \$2,450,000 is the average of two appraisals.

This property, which is located at 717 West Irving Avenue, is adjacent to Fletcher Hall on the north and Breese Hall on the west. The building which was designed for use as a Newman Center was constructed in 1967 and occupied by the Catholic Diocese of Green Bay. In 2004, the property was acquired by the UW-Oshkosh Foundation and renovated into office/administrative space which is now used for the Division of Academic Support.

This acquisition will benefit the university by providing administrative/office space contiguous to the campus that will relieve overcrowding in Dempsey Hall and support the overall campus development. Although the property is located outside the current campus boundary approved in 1994, that boundary will be updated in the spring of 2007 after the Campus Master Plan update is completed.

Regent Salas pointed out that the campus and the foundation are two separate entities and that this sale is an arm's length transaction. In response to a request from Regent Salas, David Miller explained that the foundation had purchased the property in 2004 for \$875,000 and had invested \$1,636,000 in improvements, for a total cost of \$2,511,000.

UW-Oshkosh Chancellor Wells remarked that to build the same size space in today's market would cost twice as much as purchasing this facility.

Upon the motion of Regent Bartell and the second of Regent McPike the Committee approved Resolution I.3.c.

Resolution I.3.c.

That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to purchase a (.62 acre) parcel of land located at 717 West Irving Avenue, Oshkosh, Wisconsin, at a cost not to exceed \$2,455,700 General Fund Supported Borrowing. An estimated \$5,700 of associated appraisal and closing costs is included in the purchase price.

I.3.d. UW System: Authority to Construct Various Facility Maintenance and Repair Project

This item requested authority to construct various maintenance and repair projects at an estimated total cost of \$1,821,000 (\$407,000 General Fund Supported Borrowing, \$532,000 Gifts and Grant Funds, and \$882,000 Program Revenue - Cash).

Facilities Maintenance and Repair Requests

MSN - Birge Hall Greenhouses No. 1 through No. 6 Renovation (Increase) (\$275,000):

This project scope expansion will raise the roof by 42-inches, install new fan coil units connected to the central chilled water system, and install new electrical systems in Greenhouse No. 1 and install an interior shading system and new lighting for Greenhouses No.'s 1 through 6.

PLT - Dobson Hall Exterior Windows Replacement (\$415,000): This project will replace 185 original exterior windows in student resident rooms and lounges in Dobson Hall, a 4-story residence hall. The replacement windows will be triple slide, energy efficient units with commercial grade insulated glass set.

Health, Safety, and Environmental Protection

MSN - Storm Water Pond No. 4 Repairs (\$402,000): This project will reconstruct and expand Pond No. 4, which is an undersized erosion control structure, at the UW-Arboretum, creating a 6.5 acre wet detention pond containing a 4.5 acre normal pool. The expanded wet detention pond will achieve 60 percent removal of solids and associated nutrients and pollutants from runoff entering Wingra Creek from the adjacent Southeast Marsh and Gardner Marsh. This project represents the continuation of an ongoing program to address the growing number of storm water drainage problems on campus and in the Arboretum using, federal, state, and local funding were possible.

Programmatic Remodeling and Renovation

MSN - Trout Lake Research Station New Cabin (\$329,000): This project will be primarily funded by a National Science Foundation grant from the Biological Field Station and Marine Labs infrastructure program. The project will construct a new four season and fully insulated 1,190 GSF cabin for the Trout Lake Research Station in Boulder Junction, Vilas County, Wisconsin. The cabin will contain four sleeping rooms, a kitchen and dining area, a living room, and one bathroom. An accessible ramp will connect the paved parking spaces with the main entry to the building.

Regent Salas remarked that he was pleased that this project will address issues to make the research station accessible to all.

Utilities Repair and Renovation Requests

MSN - Nielsen Tennis Court Renovation (\$400,000): This project will rebuild six outdoor tennis courts at the Nielsen Tennis Stadium. The outdoor courts are no longer economical to repair and a complete resurfacing is required to restore the courts to acceptable condition.

Regent Salas commented that these courts were originally constructed using gift funding and that physical education classes are held on these courts in addition to their use for recreation.

Upon the motion of Regent Bartell and the second of Regent McPike the Committee approved Resolution I.3.d.

Resolution I.3.d.

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 \$1,821,000 (\$407,000 General Fund Supported Borrowing, \$532,000 Gifts and Grants, and \$882,000 Program Revenue Cash).

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

- Building Commission Actions - Assistant Vice President David Miller reported that the Building Commission approved about \$49 million for projects at their July/August meeting. The funding breakdown for those projects was \$36.3 million General Fund Supported Borrowing, \$6.8 million Program Revenue, and \$3.5 million Gift and Grant Funds. (For more detail about those projects, please see the chart at the end of these minutes.)

At the request of Regent Salas, Mr. Miller explained that the Building Commission had approved the request to build an athletic pavilion at UW-Whitewater and that the timely approval of the project earlier this month by the Board and Building Commission will allow the project be completed by this fall.

i.3.x. Additional items that may be presented to the Committee with its approval

No additional items were presented to the Committee.

I.3.z. Closed session to consider personal histories, as permitted by s.19.85(1)(f) Wis. Stats., related to the naming of a facility at UW-Whitewater

Upon the motion of Regent Bartell and the second of Regent McPike the Physical Planning and Funding Committee adjourned into closed session at 1:55 p.m. Present were Regents Salas, McPike, and Bartell.

The closed session concluded at 2:07 p.m., at which time the meeting of the Physical Planning and Funding Committee was adjourned.

June and July/Aug 2006 SBC Actions on Projects for August 2006 PPF Committee Meeting		
Campus	Project / Funding	Amt. Approved
June 2006		
GBY	Union Expansion and Remodeling - Budget Increase of \$242,000 PR-Cash	\$6,242,000
MSN	Ashland Ag Research Station - Transfer of 258 acres of land to Ashland and Bayfield Counties - Requested covenant language	Not approved
STO	Authority to acquire the property at 222 11th Avenue West, Menomonie,	\$146,927
WTW	College of Business and Economics Building - Construction authority, budget increase	\$42,273,000
July/August 2006		
MSN	Ashland Ag Research Station - Transfer of 258 acres of land to Ashland and Bayfield Counties with covenant language	Approved
WTW	Land Use Agreement for construction of Athletic Pavilion and acceptance as gift-in-kind	\$96,500
	SBC Meeting TOTAL	\$48,758,427