

Minutes
Physical Planning and Funding Committee
Thursday, June 4, 2006

Committee Chair Regent Salas convened the joint meeting of the Physical Planning and Funding Committee at and the Business Finance and Audit Committee at 2:55 p.m. in the Wisconsin Room, Union at UW-Milwaukee. Present were Regents Bartell, Connolly-Keesler, Crain, Cuene, Loftus, Pruitt, Randall, Rosenzweig, and Smith.

I.3.a. UWM Residence Halls: Creative Solutions for the Future

UW-Milwaukee Vice Chancellor Sherwood Wilson spoke to the committees concerning a plan for UWM Residence Halls that focuses on creative solutions for the future. Wilson explained that the goals of this initiative are to create new residence hall inventory to house all freshmen within 5 years and increase housing capacity to 5,000 beds within 8 years. This initiative is through the newly created UWM Real Estate Foundation to finance, build, and own a new 448 bed facility. This new student living and learning center will be constructed on vacant land on North Avenue in close proximity to the new Kenilworth project. It will be open next fall with a one year construction period. Wilson said the last residence hall, UWM Sandburg Hall, was first requested in 1987, but because of state holdups construction did not begin until 1999.

I.3.b. Energy Conservation and Green Building Initiatives

DOA Division of State Facilities (DSF) Administrator Rob Cramer spoke to the committees about the DOA Energy Conservation and Green Building Initiatives. The energy initiative is a response to energy legislation and has a goal of reducing energy use by 10% by fiscal year '08. The goal of the Green Building Initiative is that new state facilities be constructed 30% more energy efficient than required by commercial code.

The joint meeting of the committees adjourned at 4:07 p.m.

Regent Salas reconvened the Physical Planning and Funding Committee meeting at 4:15 p.m. in Room E260, Union. Present were Regents Bartell, Crain, Cuene, and Randall.

The meeting began with a discussion of minority business enterprise (MBE) participation in state building projects with DSF Administrator Rob Cramer who said that during this past year there was a 5.3% statewide participation by minority business for architecture/engineering contracts – an area that has consistently exceeded the MBE goals of 5% for the last 18 years. Cramer continued by saying that MBE participation for construction contracts is presently 7.9%, however, that percentage varies yearly and is often less than the 5% goal. In response to a question from Regent Randall, Cramer mentioned that DSF encourages contractors to find MBE firms for subcontracting, hosts partnering meetings, and encourages minority firms to register with the MBE program. He said that his division is concerned about the lack of MBE firms bidding as prime contractors.

In response to a question from Regent Randall about the percent of MBE participation in university contracts, Cramer explained that the collection of data is not designed to provide separate agency reporting. David Miller added that a new DOA web-based real estate portfolio management system might soon be able to gather that information and provide separate agency reports. Regent Salas asked Cramer to explain how the university system

could address the poor MBE compliance of their projects and Cramer suggested that those projects would have to be individually monitored.

Regent Bartell asked if DOA did anything to encourage MBE participation. Mr. Cramer mentioned that the Department of Commerce hosts an annual event to encourage participation by minority businesses, and that the department has an office for minority business contracting that works with minority firms on a daily basis.

Regent Randall stated that he was concerned that the general contractors who are responsible for hiring the subcontractors for work on university building projects are not held accountable for a project's MBE goal and suggested that Vice President Durcan and Assistant Vice President Miller investigate how the university might achieve better accountability of university project contractors who aren't meeting MBE participation goals. David Miller offered to investigate and reminded the committee that the DOA holds all building project contracts, not the university.

The committee next considered item I.3.d.

I.3.d. UW-Green Bay: Approval of the Design Report and Authority to Adjust the Project Budget and Construct the University Union Expansion and Remodeling Project

This item requested approval of the Design Report and authority to construct the University Union Expansion and Remodeling Project and increase the project budget by \$242,000 Program Revenue-Cash for an estimated total project cost of \$6,242,000 Program Revenue-Cash.

This project was included in the university's 2003-05 Capital Budget request, at an estimated total project cost of \$8.8M (\$4.2M Program Revenue Supported Borrowing, \$4.1M Program Revenue-Cash, and \$.5M Gifts) and was subsequently enumerated in the 2003-05 Capital Budget at \$6,000,000.

This project will remodel 18,700 GSF and construct a 17,500 GSF addition to the existing University Union. The project addresses longstanding space concerns, responds to specific programmatic needs for student dining, lounge and study space, and coordinates shared student interaction space. It also allows for the relocation of the campus bookstore and credit union from other campus areas. Seven hundred and eighty housing units have been added to the Green Bay campus since 1990 causing a shortage of dining space and the campus has identified expansion of dining service as a critical priority. Additional space is required to revamp food preparation options and to provide additional seating for current and future needs.

Segregated Fee Funding: This project is funded from an increase in student fees (\$3.9 million) with the balance from various program revenue sources. The fee increase was approved by the UW-Green Bay Segregated University Fee Allocation Committee and the UW-Green Bay Student Senate in 1999-2000 and resulted from a student led initiative to identify critical campus life needs. Fees were increased to cover a portion of two major facilities projects identified by students as their highest priorities: the Kress Events Center and the University Union. The fee increase was phased in beginning with a \$100 increase in 2000-01 and ending with a \$400 fee in 2003-04. Segregated fees in 1999 were \$556 and increased to \$1,154 in 2003-04. Currently, student segregated fees at UW-Green Bay are \$1,148. The yearly fees to support the project may vary based on actual student enrollment.

Regent Salas commented that he wanted the other Regents to be aware that the current \$1,148 segregated fee charge doesn't represent just the Union project but includes other building projects as well.

Upon the motion of Regent Crain and the second of Regent Cuene the Committee approved Resolution I.3.d.

Resolution I.3.d.

That, upon the recommendation of the UW-Green Bay and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct the University Union Expansion and Remodeling Project and increase the project budget by \$242,000 Program Revenue-Cash for an estimated total project cost of \$6,242,000 Program Revenue-Cash.

I.3.e. UW- Madison: Authority to Transfer 258 Acres of Land Known as Ashland Agricultural Research Station to Ashland and Bayfield Counties

This item requested approval to transfer 258 acres of land known as the Ashland Agricultural Research Station in the town of Eileen, Bayfield County, Wisconsin to Ashland and Bayfield Counties.

This transaction will convey 258 acres of land and associated facilities currently comprising the Ashland Agricultural Research Station equally to Ashland and Bayfield counties without restrictions. The value of the Ashland Station land is currently estimated between \$200,000 and \$400,000 based on comparable local land sales in the Ashland area.

The counties plan to use the land through a joint consortium known as the Chequamegon Institute which consists of representatives from the governments of Ashland and Bayfield counties, local community groups, and interested citizens to conduct outreach and demonstration projects in support of local bio-based economies.

Preliminary discussions of closing the station started in 2003 when CALS began downsizing their out-state programs and CALS no longer supports the Ashland Station with staff resources. CALS will reduce their annual operating expenditures by approximately \$100,000 by transferring this property.

Upon the motion of Regent Bartel and the second of Regent Cuene 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, approval be granted to transfer 258 acres of land known as the Ashland Agricultural Research Station in the town of Eileen, Bayfield County, Wisconsin to Ashland and Bayfield Counties.

I.3.f. UW- Stout: Adjust the Campus Boundary for Future Land Acquisition

This item requested authority to expand the campus boundary to include: (a) north campus properties along the east side of 4th Street West, between 1st Avenue West and 3rd Avenue West, and the parking lot property at 403 1st Avenue West, and (b) south campus properties in the block bounded by 11th Avenue West, 12th Avenue West, 2nd Street West, and 3rd Street West.

The adjusted north campus boundary will facilitate the opportunity to acquire approximately five acres of land. The adjusted south campus boundary will provide the opportunity to acquire approximately 0.8 acre of land. Future acquisitions are anticipated to be for the purpose of residence hall parking on the north campus, and for both event and residence hall parking on the south campus.

For more than a decade, the UW-Stout campus development plans have documented a shortage of adequate parking. There is currently a 550 stall deficit based on 2,710 stalls available and a planning target of 3,260 stalls. This deficit is especially acute near the north campus residence halls. The construction of the new Red Cedar Residence Hall impacted parking availability because it was constructed on the site of a former parking lot; the number of residents on north campus increased, and the demographic of north campus residents shifted to junior and senior students who have a higher demand for parking. The property at 403 1st Avenue West is currently leased by UW-Stout for north campus residence hall parking. This lease expires at the end of September 2006.

Upon the motion of Regent Bartel and the second of Regent Crain the Committee approved Resolution I.3.f.

Resolution I.3.f.

That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, authority be granted to authority be granted to expand the campus boundary to include: (a) north campus properties along the east side of 4th Street West, between 1st Avenue West and 3rd Avenue West, and the parking lot property at 403 1st Avenue West, and (b) south campus properties in the block bounded by 11th Avenue West, 12th Avenue West, 2nd Street West, and 3rd Street West.

I.3.g. UW-Whitewater: Approval of the Design Report and Authority to Adjust the Project Scope and Budget and Construct the College of Business and Economics Building

This item requested approval of the Design Report and authority to: (a) construct the College of Business and Economics Building; (b) increase the project scope and budget by \$1,234,000 (\$777,400 Building Trust Funds - Contingency and \$456,600 Program Revenue-Cash); and (c) request release of \$777,400 Building Trust Funds – Contingency; for a estimated total project cost of \$42,273,000 (\$35,549,000 General Fund Supported Borrowing, \$5,490,000 Gifts/Grants, \$777,400 Building Trust Fund - Contingency, and \$456,600 Program Revenue–Cash). This project was recommended for construction in the 2005-2007 Capital Budget request at an estimated cost of \$39,049,000 (\$35,549,000 General Fund Supported Borrowing and \$3,500,000). The project was subsequently enumerated at a cost of \$41,039,000 (\$35,549,000 General Fund Supported Borrowing and \$5,490,000 Gifts/Grants)

A full, detailed justification for this project was provided in the 2001-2003, 2003-2005, and 2005-2007 Capital Budget requests. The project will be located on the corner of Starin Road and the Wyman Mall which is the location of Baker, Sayles, and Salisbury Halls, which will be demolished as part of this project. This project will construct a new four story 118,451 ASF / 185,225 GSF building to house the instructional, academic support, community service, and economic development programs for the College of Business and Economics. In addition, the facility will provide 38 general assignment classrooms for use by all campus colleges. The exterior appearance of the new building will be harmonious with existing campus materials. The project design will incorporate sustainable design

principles to the extent possible within the budget. The project will create state-of-the-art space for the College of Business and Economics and allow for the eventual remodeling of Carlson Hall.

Upon the motion of Regent Crain and the second of Regent Bartel the Committee approved Resolution I.3.g.

Resolution I.3.g.

That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to: (a) construct the College of Business and Economics Building; (b) increase the project scope and budget by \$1,234,000 (\$777,400 Building Trust Funds - Contingency and \$456,600 Program Revenue-Cash); and (c) request release of \$777,400 Building Trust Funds – Contingency; for an estimated total project cost of \$42,273,000 (\$35,549,000 General Fund Supported Borrowing, \$5,490,000 Gifts/Grants, \$777,400 Building Trust Fund - Contingency, and \$456,600 Program Revenue–Cash).

I.3.c. Approval of the Minutes of the May 4, 2006 Meeting of the Physical Planning and Funding Committee

Upon the motion of Regent Cuene, and the second of Regent Crain, the minutes of the May 4, 2006 meeting of the Physical Planning and Funding Committee were approved as presented.

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

- Building Commission Actions - Assistant Vice President David Miller reported that the Building Commission approved about \$31 million for projects at their May meeting. The funding breakdown for those projects is \$16.5 million General Fund Supported Borrowing, \$11 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.)

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

No additional items were presented to the Committee.

Adjournment

The Physical Planning and Funding Committee adjourned at 4:56 p.m.

April 2006 SBC Actions on Projects for May 2006 PPF Committee Meeting		
Campus	Project / Funding	Amt. Approved
MSN	Authority to Acquire a Parcel of Land for the Expansion of University Research Park	3,434,540
OSH	South Campus Parking Ramp - Increase Budget and Construct	7,551,000
RVF	Dairy Learning Center - Increase Budget and Construct	9,313,000
MSN	Health Emotions Research Institute Addition - Increase Scope & Budget	3,000,000
MSN	Amend Master Term Sheet - Univ Sq Dev	Approved
SYS	Construct All Agency Maintenance and Repair Projects Total = \$7,354,000	
	MIL Engelman Hall Elev Renov	170,000
	MSN Hiram Smith Office Remodel	4,128,000
	MSN Van Hise/Van Vleck Roof Repl	406,000
	OSH Dempsey/Kolf Roof Repl	1,450,000
	STO Univ Services Roof Repl	200,000
	MIL EMS Nanotech Lab Upgr	650,000
	WTW Roseman Admis-Regstr Office Remodel	350,000
	April SBC Meeting TOTAL	\$30,652,540