

Minutes
Physical Planning and Funding Committee
Thursday, April 12, 2007

Committee Vice-Chair Regent McPike convened the meeting of the Physical Planning and Funding Committee with all Regents invited at 1:35 p.m. in Reeve Memorial Union, Room 227 on the UW-Oshkosh campus. Present were Regents McPike, Bartell, Falbo, Shields, Bradley, Crain, Cuene, Davis, Loftus, Pruitt, Semanes, Smith, and Spector. Regents Salas, Burmaster, Connolly-Keesler, and Rosensweig and Walsh were absent.

2007-09 Capital Budget – Building Commission Recommendations

UW System Assistant Vice President David Miller discussed the progress of the 2007-09 Capital Budget which next goes to the full legislature for final approval. Miller explained that student survey results show that facilities related to their major were very important to them when choosing a college. He added that 30 % of those surveyed rejected a college because of inadequate facilities.

Miller continued by highlighting specific projects in the 2007-09 Capital Budget which makes investments in four key areas of student life and services, classrooms, core instructional facilities and infrastructure. He emphasized that this budget is a modest and responsible, capital budget and deserves full funding by the legislature.

Miller explained that the construction of the major building projects would create a positive economic impact for the state by creating about 3,745 construction jobs. If the industry economic multiplier is included to those same projects, including materials and equipment, the impact is over 20,000 jobs.

Mr. Miller explained that this biennia our capital budget uses a new two biennia planning and construction approach that more closely matches a project's actual schedule.

Committee Vice Chair Regent McPike convened the meeting of the Physical Planning and Funding Committee at 2:10 p.m. in Reeve Memorial Union, Room 202 on the UW-Oshkosh campus. Present were Regents McPike, Bartell, Falbo, and Shields. Regent Salas was absent.

I.3.a. Approval of the Minutes of the March 8, 2007 Meeting of the Physical Planning and Funding Committee

Upon the motion of Regent McPike and the second of Regent Shields, the minutes of the March 8, 2007 meeting of the Physical Planning and Funding Committee were approved as presented.

The Committee next considered item I.3.e.

I.3.e. UW-Milwaukee: Authority to: (a) Sell a Parcel of Land to the Milwaukee Jewish Federation; (b) Petition the City of Milwaukee to Vacate a Public Alley; (c) Enter Into a Land Use Agreement to Allow Construction of a Parking Area and Accept It as a Gift-In-Kind; (d) File a Certified Survey Map; and (e) Convey a Right-Of-Way to the City of Milwaukee

This item requested authority: (a) to sell approximately 0.18 acres of land facing North Stowell Avenue that is a portion of the 2419 East Kenwood Boulevard (Zelazo) Board of Regents-owned property in Milwaukee, Wisconsin, to the Milwaukee Jewish Federation (MJF) for \$219,500; (b) to petition the city of Milwaukee to vacate a public alley located southwest of the intersection of East Kenwood Boulevard and North Prospect Avenue; (c) to enter into a land use agreement with the MJF to allow them to construct a reconfigured parking area and a driveway, and to accept the completed facility as a gift-in-kind; (d) to file a certified survey map subdividing the property into three lots, an outlot, and a public alley; and (e) to convey to the city of Milwaukee a new public alley (dedicated right-of-way) connecting to an existing public alley, North Prospect Avenue, and North Stowell Avenue to allow access to the reconfigured parking area and for the public good.

The campus will sell approximately 0.18 acres, a portion of an existing surface parking lot located at 2419 East Kenwood Boulevard (adjacent to North Stowell Avenue) in Milwaukee, to the Milwaukee Jewish Federation for \$219,500. This price is the average of two independent market appraisals (\$219,000 and \$220,000), and represents an estimated fair market value. Following vacation of a city-owned alley to the university, the MJF will, in conjunction with the design and construction of the new Hillel facility, design and construct a reconfigured parking area and driveway. The driveway and an extension of the north-south alley will be conveyed to the city of Milwaukee when the certified survey map is filed and will become a public alley (dedicated right-of way).

The proposed property sale will cause an overall loss of parking adjacent to the Helene Zelazo Center for the Performing Arts. The appraisal process took into consideration the loss of parking revenue in determining the value of the property.

Costs for property appraisals, inspection services, title insurance, closing costs, sale preparations, and real estate commissions, if applicable, will be deducted from the sale proceeds. Costs for improvements to the remaining University of Wisconsin-Milwaukee surface parking areas will be included in the transaction and funded (in addition to the property sale price) by the Milwaukee Jewish Federation; redesign and construction of the remaining UWM parking area and driveway will be done in conjunction with the new Hillel facility.

Upon the motion of Regent McPike and the second of Regent Shields, the Committee unanimously approved Resolution I.3.e.

Resolution I.3.e.

That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted: (a) to sell approximately 0.18 acres of land facing North Stowell Avenue that is a portion of the 2419 East Kenwood Boulevard (Zelazo) Board of Regents-owned property in Milwaukee, Wisconsin, to the Milwaukee Jewish Federation (MJF) for \$219,500; (b) to petition the city of Milwaukee to vacate a public alley located southwest of the intersection of East Kenwood Boulevard and North Prospect Avenue; (c) to enter into a land use agreement with the MJF to allow them to construct a reconfigured parking area and a driveway, and to accept the completed facility as a gift-in-kind; (d) to file a certified survey map subdividing the property into three lots, an outlot, and a public alley; and (e) to convey to the city of Milwaukee a new public alley (dedicated right-of-way) connecting to an existing public alley, North Prospect Avenue, and North Stowell Avenue to allow public access to the reconfigured parking area.

I.3.b. UW-Oshkosh Presentation: Enhancing Existing and Building New Facilities

The committee began its meeting with a presentation by UW-Oshkosh Facilities Management Director Steven Arndt and Vice Chancellor for Student Affairs Petra Roter on Enhancing Existing and Building New Facilities. The presentation offered committee members a comprehensive view of the planning process UW-Oshkosh has undertaken in their campus development.

I.3.c. UW-Madison: Authority to Construct Two Utility Structures for the East Campus Utility Project

This item requested authority to reallocate \$1,500,000 of existing Program Revenue Supported Borrowing to construct two underground bridge structures for the East Campus Utility Project.

This project will construct two underground bridge structures on University Avenue and Johnson Street at the points where the tunnel intersects the East Campus Pedestrian Mall. Steel sheet pilings will be driven on the east and west sides of the tunnel corridor and a concrete cap will be installed at road level to bridge the pilings. The bridges will allow for the construction of the east campus utility tunnel to occur without disrupting traffic on University Avenue and Johnson Street.

The city of Madison will only allow the East Campus Utility project to disrupt traffic on University Avenue and Johnson Street one lane at a time during the summer, at night, and on weekends. In order to maintain the tight schedule of the East Campus Utility project and maintain the coordination between the Ogg Hall Demolition, University Square, Chazen Museum Addition, and the East Campus Pedestrian Mall projects, construction of the bridges must occur this summer. Delaying construction of the bridges until to 2008 would have serious financial implications for to the grand opening of the University

Square retail space which fronts the East Campus Pedestrian Mall. Completion of the University Square project is slated for June of 2008.

In response to a question from Regent Falbo, David Miller explained that funding for the project would be directed from residual program money.

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

Resolution I.3.c.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to reallocate \$1,500,000 of existing Program Revenue Supported Borrowing to construct two underground bridge structures for the East Campus Utility Project.

I.3.d. UW-Madison: Authority to Accept a Gift-In-Kind of a Parcel of Land for the Kegonsa Research Campus

This item requested authority to accept a gift-in-kind, , of a 1.06 parcel of land and a structure located at 2014 Green Road, Stoughton, Wisconsin, from the University of Wisconsin Foundation. The value of this gift-in-kind is approximately \$400,000. The donor of this property, through the University of Wisconsin Foundation, is Mr. Robert Green.

The parcel is located south of the UW-Madison Kegonsa Research Center and the structure on the land is currently operated as a lodging facility for users of the Synchrotron Radiation Center (SRC). The Synchrotron Radiation Center (SRC) is a national research facility which is operated by the Graduate School of the University of Wisconsin-Madison with funding from the National Science Foundation Division of Materials Research. The SRC provides synchrotron light as a research tool to conduct a diverse range of scientific experiments. Researchers come from all over the world to use the research facility so convenient and affordable housing for them is desirable.

Upon the motion of Regent McPike and the second of Regent Shields, the Committee discussed item I.3.d.

Regent Falbo asked for documentation explaining why a Phase I environmental assessment of the property concluded that no additional testing was necessary.

This request was deferred for consideration until the meeting of the full Board on Friday.

I.3.f. UW-Platteville: Authority to Purchase a Parcel of Land for Parking Purposes

This item requested: (a) authority to purchase a 0.1187-acre parcel of land and property improvements within the approved campus boundary located at 55 South Hickory Street in the city of Platteville at a cost of \$157,500 (\$122,500 Program Revenue-Cash and \$35,000 Gift Funds) and (b) that an exemption be granted of Board of Regents Policy 94-3 which requires that the negotiated purchase price of the property be at or below the average of two recent appraisals.

This parcel is located immediately adjacent to campus-owned land on to the north and south of the parcel. The property contains a wood-framed, 1,324 SF house constructed in 1870. The land will be used for parking lot development. An environmental audit has been conducted and there are no known environmental hazards associated with the land to be received.

Two certified appraisals completed in 2006 value the property at \$110,000 and \$120,000 respectively; their average yields an estimated fair market value of \$115,000. The owner will not sell the property for less than \$150,000 due to business losses. The UW-Platteville Foundation will contribute \$35,000 to offset the difference in the average appraised value and the actual selling price. In addition to the \$150,000 purchase price, additional costs are estimated at \$7,500 for associated environmental testing, demolition, site restoration, and closing costs.

Upon the motion of Regent McPike and the second of Regent Shields, the Committee unanimously approved Resolution I.3.f.

Resolution I.3.f.

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, (a) authority be granted to purchase a 0.1187-acre parcel of land and property improvements within the approved campus boundary located at 55 South Hickory Street in the city of Platteville at a cost of \$157,500 (\$122,500 Program Revenue-Cash and \$35,000 Gift Funds) and (b) an exemption be granted of Board of Regents Policy 94-3 which requires that the negotiated purchase price of the property be at or below the average of two recent appraisals.

I.3.g. UW-River Falls: Authority to Accept a Gift-In-Kind of a Parcel of Land for the Mann Valley Farm

This item requested authority to accept a gift-in-kind of a 0.358-acre parcel of land located approximately 600 feet west of South Glover Road adjacent to county trunk highway (CTH) “MM” in Section 34 of the Town of Troy, St. Croix County, Wisconsin for the UW-River Falls Mann Valley Farm.

This transaction will accept this parcel located in the Town of Troy, adjacent to land already approved to be acquired in a trade, from K&S Developers, Inc. Based on the average cost per acre identified by recent appraisals conducted for adjacent properties, the value of this parcel is approximately \$4,500. An environmental audit has been conducted and there are no known environmental hazards associated with the land to be received.

This request is in response to an opportunity that has arisen in conjunction with a larger land transaction at the Mann Valley Farm which was approved by both the Board of Regents and State Building Commission in November of 2006. During negotiations with K&S Developers, they offered to give this small parcel of land to the Board of Regents at no cost to the university in order to add it to the farm and preclude any development of this remnant parcel. No covenants or deed restrictions will be attached to the land being received.

Upon the motion of Regent McPike and the second of Regent Shields, the Committee unanimously approved Resolution I.3.g.

Resolution I.3.g.

That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to accept a gift-in-kind of a 0.358-acre parcel of land located approximately 600 feet west of South Glover Road adjacent to county trunk highway (CTH) “MM” in Section 34 of the Town of Troy, St. Croix County, Wisconsin for the UW-River Falls Mann Valley Farm.

I.3.h. UW System: Authority to Construct All Agency Maintenance and Repair Projects

This item requested authority to construct various maintenance and repair projects at an estimated total cost of \$4,970,000 (\$379,300 General Fund Supported Borrowing; \$3,134,000 Program Revenue Supported Borrowing; and 1,456,700 Program Revenue-Cash).

Facilities Maintenance and Repair Requests

EAU - Bridgman Hall Maintenance and Repair (\$1,436,000): This project repairs or replaces several infrastructure components of the 50,000 GSF, four-story, 259-bed residence hall built in 1965. Project work includes replacing exterior doors; 180 exterior windows; replacing exterior masonry control joints and tuck pointing as required; and converting the steam radiation heating system to a hot water system, including new air handling equipment and new digital controls throughout the entire facility.

Utilities Repair and Renovation Requests

MSN - Kegonsa Research Campus Physical Science Lab Second Well Installation (\$250,000 Increase): This project constructs a new 12-inch high-capacity well at the

Kegonsa Research Campus located in the Town of Dunn. The project also includes well and pump repairs on the original well, when the new well is becomes functional.

PKS - Union Lot Reconstruction (\$3,284,000): This project reconstructs and expands an existing 591-stall parking lot into a 670-stall parking lot, including associated area lighting, landscaping, associated storm water control, and pavement markings. This project also includes reconstructing and widening a section of Inner Loop Road, constructing a new roadway connection between Inner Loop Road and Outer Loop Road, and removing a section of Outer Loop Road and restoring it to natural landscaping.

Upon the motion of Regent McPike and the second of Regent Bartell, the Committee unanimously approved Resolution I.3.h.

Resolution I.3.h.

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 \$4,970,000 (\$379,300 General Fund Supported Borrowing; \$3,134,000 Program Revenue Supported Borrowing; and 1,456,700 Program Revenue Cash).

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

Assistant Vice President David Miller reported that last month the building Commission recommended \$779 million to complete 36 major projects on UW campuses and approximately \$180 million from all fund sources in the 2007-09 Capital Budget.

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

No additional items were presented to the Committee.

The meeting adjourned at 3:05 p.m.