

**Minutes**  
**Physical Planning and Funding Committee**  
**Thursday, June 6, 2008**

Committee Chair Regent Bartell convened the meeting of the Physical Planning and Funding Committee at 2:53 p.m. in the Fireside Lounge of the Union on the UW-Milwaukee campus. Present were Regents Bartell, Vasquez, Falbo and Walsh.

**I.3.a. UW-Milwaukee Presentation: Master Plan Update**

Director of the Office of University Architects/Planning and Transportation Claude R. Schuttey updated the committee on the progress of the UW-Milwaukee master planning process, what each phase of progress will involve, and potential sites for growth. Regents asked questions regarding the status of purchasing Columbia/St. Mary's Hospital for university purposes. Associate Vice President David Miller answered that the project is currently enumerated with funding in 2009-11 and 2011-13 and is planned to remain so in the 2009-11 Capital Budget. Regent Bartell asked about the progress on the campus master plan and how that process related to the potential developments in Wauwatosa and the school of public health. Schuttey responded that the master plan team will examine those possibilities as part of the planning process, but that planning on those potential acquisitions was continuing.

**I.3.b. UW-La Crosse: Approval of the Design Report and Authority to Construct the New Academic Building Project**

This item requested approval of the Design Report of the New Academic Building Project and authority to increase the scope and budget by \$250,000 Program Revenue-Cash and construct the project at a total cost of \$44,250,000 (\$36,950,000 General Fund Supported Borrowing, \$350,000 Building Trust Funds, \$950,000 Program Revenue-Cash, and \$6,000,000 Gift Funds). The \$6,000,000 Gift Funds are being raised by the UW-La Crosse Foundation which has secured a commercial bank letter of credit to back up the gifts receivable. This request adds \$250,000 to the project for designing to a LEED™ Silver Rating and to use renewable energy sources as an educational tool.

This project addresses a lack of adequate general assignment classrooms, and numerous space shortages for academic, administrative, and student advising departments on the campus. The project will construct a new 114,600 ASF/188,000 GSF academic building located at the center of campus. The project will demolish Baird Hall, a 44-year-old residence hall; Trowbridge Hall, a 47-year-old residence hall; and Wilder Hall, a 52-year-old former residence hall, which is currently used as an administrative building. These buildings have a total of 78,713 ASF/116,993 GSF. These demolitions will allow the new academic building to be located at the academic core of campus where it will anchor the southwest corner of the future Campus Central Mall, as described in the 2005 UW-La Crosse Master Plan.

Over sixty percent of the new academic building will be occupied by 46 general assignment classrooms which will be equipped with modern educational technology. The sizes of these classrooms range from 40 seat rooms to 250 seat auditoriums. This building will provide approximately 66,100 ASF of general access classroom space, 9,500 ASF of instructional support and student study space, 33,500 ASF to accommodate the office and resource functions of eleven academic and student advising departments that will relocate to the new building, and 5,500 ASF of space for general building support functions.

UW System Administration Senior Architect, Maura Donnelly explained that the project will be bid with several alternates intended to have bids within available funding. One of those options may be to exclude some audio visual equipment from the base project. Regent Falbo asked how that equipment would be added to the project if it is not in the base bid. Donnelly explained that it could be acquired through campus purchasing from operating funds or funded as a separate project. Donnelly further commented that it is preferred to construct the core facility as designed and to acquire equipment later rather than attempt to add classroom space to the building after construction.

Chancellor Joe Gow commented that students, faculty and staff have been integrally involved in the design process and are pleased with the proposed design. Gow stated that the fund raising is going well and that the campus and foundation will meet the \$6 million commitment to the project.

Upon the motion of Regent Walsh and the second of Regent Vasquez, the Committee unanimously approved Resolution I.3.b.

Resolution I.3.b.

That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, the Design Report of the New Academic Building project be approved and authority be granted to increase the scope and budget by \$250,000 Program Revenue-Cash and construct the project at a total cost of \$44,250,000 (\$36,950,000 General Fund Supported Borrowing, \$350,000 Building Trust Funds, \$950,000 Program Revenue- Cash, and \$6,000,000 Gift Funds).

**I.3.c. UW-Madison: Authority to Enter Into a Land Use Agreement to Allow the University of Wisconsin Medical Foundation (UWMF) to Construct a Faculty Office Building and Accept the Facility as a Gift-in-Kind**

This item requested authority to permit the University of Wisconsin Medical Foundation (UWMF) to construct a new Faculty Office Building adjacent to the University of Wisconsin Clinical Science Center (CSC), under terms of a land use agreement with the University of Wisconsin System Board of Regents, and to accept the completed facility as a gift-in-kind from the foundation. The estimated total project cost will not exceed \$43,000,000. The UWMF has obtained gift funds for this project and, upon completion of construction, will donate the office building to UW-Madison.

The project will construct an office building of approximately 135,000 GSF consisting of faculty office and academic support areas. The multi-story faculty office building addition will connect to the existing CSC. Campus utilities, including steam, chilled water, electricity and signal will be connected to the existing CSC infrastructure. Domestic, storm, and waste waters will be connected at the most efficient locations. The increased utility and maintenance costs will be absorbed by the campus.

A design/programming team was selected by a steering committee comprised of representatives from the UW School of Medicine and Public Health, the UWMF, the UW Hospital Authority, and UW-Madison Facilities Planning and Management. The addition will be subject to the Village of Shorewood Hills zoning, site, and building design review and approval processes.

Alan Fish, UW-Madison Associate Vice Chancellor for Facilities, explained that because this project is entirely gift funded there would be no UW construction cost related to the project. Fish said that by accepting the completed project as a gift the campus will be prepared to reallocate resources for facility operations.

Upon the motion of Regent Falbo and the second of Regent Vasquez, 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 permit the University of Wisconsin Medical Foundation (UWMF) to construct a new Faculty Office Building adjacent to the University of Wisconsin Clinical Science Center (CSC), under terms of a land use agreement with the University of Wisconsin System Board of Regents, and to accept the completed facility as a gift-in-kind from the foundation.

**I.3.d. UW-Platteville: Authority to Construct the Outdoor Track Lighting Portion of the Williams Fieldhouse Addition Phase I Project**

This item requests authority to construct the Outdoor Track Lighting portion of the Williams Fieldhouse Addition Phase I project at a cost of \$250,000 Program Revenue Supported Borrowing.

This project will install exterior lighting to illuminate the track for track meets and student recreational purposes. The campus is requesting this portion of the Williams Fieldhouse Phase I project at this time so the lighting features will be in place by the spring of 2009. This portion of the larger project can easily be bid separately to an installer of specialty athletic field lighting. The remaining portion of the Williams Fieldhouse Phase I project will be brought forward for design report approval and authority to construct in the fall of 2008 with plans to bid that portion in the spring of 2009.

Regent Bartell inquired about the approval process used for approval of the student segregated fees. David Miller answered that in November 2006, the Segregated University Fee Allocation Commission (SUFAC) approved a \$22 per semester fee in support of the entire Phase I project. The fee was implemented in two steps; for 2007-08 a \$22 per year (\$11 per semester) fee was charged. The full fee of \$44 per year will be collected beginning in 2008-09. This lighting project has no additional fee impact.

Upon the motion of Regent Walsh and the second of Regent Vasquez, the Committee unanimously approved Resolution I.3.d.

Resolution I.3.d.

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, the authority be granted to construct the Outdoor Track Lighting portion of the Williams Fieldhouse Addition Phase I project at a cost of \$250,000 Program Revenue Supported Borrowing.

**I.3.e. UW-Stevens Point: Authority to (1) Purchase a Parcel of Land with Improvements at 2016 Briggs Street and (2) Acquire Nine Parcels of Land on Briggs Street in the City of Stevens Point for Parking Development**

This item requests authority to (1) purchase a 0.303-acre parcel of land and improvements located at 2016 Briggs Street in the city of Stevens Point for \$88,000 Program Revenue-Cash, plus closing costs; and (2) purchase the remaining nine parcels along Briggs Street within the Board of Regents approved boundary as they become available at a total estimated cost of \$870,000 (in 2008 dollars) funded by a combination of Program Revenue-Cash and Program Revenue Supported Bonding, as appropriate.

The 0.303-acre parcel is located at 2016 Briggs Street immediately south of campus-owned land and is improved with a vacant 1,481 square foot, one and one-half story, wood frame single family house and detached one and one-half stall garage. The purchase price of \$88,000 is the average of two independent market appraisals of \$87,000 and \$89,000 each. There is no relocation cost associated with this acquisition. An environmental audit for the property found no evidence of questionable contaminants or unacceptable environmental hazards.

The remaining nine parcels will be processed for purchase as they become available. Each purchase will be at or below its fair market value as determined by a minimum of two independent professional appraisals. There will be no relocation costs associated with any of these acquisitions. The completion of an environmental audit with acceptable findings will be required prior to purchase.

The 2016 Briggs parcel and the remaining nine parcels are located along a city block comprised of twelve parcels on the southwest edge of campus. The university currently owns two of the twelve parcels along the block. Once a suitable portion of these properties is assembled, this property will be developed for parking. The long-term goal for the entire block is the location of a future academic structure; options may include the incorporation of a student residential component into the final site plan.

David Miller explained that the properties will be retained as rental units until all parcels are acquired to preserve the character of the residential block.

Regent Bartell asked how the properties would be managed. UW-Stevens Point Vice Chancellor Greg Diemer responded that a property management company would be retained to manage the rental property and that the income generated would be held in parking reserve funds for future parking lots.

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

Resolution I.3.e.

That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to (1) purchase a 0.303-acre parcel of land and improvements located at 2016 Briggs Street in the city of Stevens Point for \$88,000 Program Revenue-Cash, plus closing costs; and (2) purchase the remaining nine parcels along Briggs Street within the Board of Regents approved boundary as they become available at a total estimated cost of \$870,000 (in 2008 dollars) funded by a combination of Program Revenue-Cash and Program Revenue Supported Bonding, as appropriate.

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

This item requests authority to construct various maintenance and repair projects at an estimated total cost of \$10,078,400 (\$244,600 General Fund Supported Borrowing; \$944,000 Program Revenue Supported Borrowing; \$7,482,100 Program Revenue Cash; and \$1,407,700 Gifts and Grants).

**Facilities Maintenance and Repair Requests**

LAX - Eagle Center Roof Replacement (\$693,000): This project will replace all 25,000 SF of a failed metal roofing system with a more weather resistant metal roofing system, and install a new snow retention system above all entrances with low roof coverage.

MSN - Adams Hall/Tripp Hall HVAC System/Floor Tile Replacement (\$2,611,000): This project replaces the HVAC systems and domestic hot water heaters in two residence halls to improve energy efficiency and replacing the steam heating system with hot water heating systems. Project work also includes asbestos abatement of floor tile and mastic around the radiators, and on mechanical piping insulation throughout the building.

MSN - Merit House HVAC System/Floor Tile Replacement (\$1,948,000): This project will renovate the building infrastructure of the Merit House residence hall to improve energy efficiency and accessibility. Project work will include replacement of the HVAC system, connection of the building to the campus central chilled water utility, room lighting upgrades, renovation of all kitchens and restrooms, replacement of all exterior windows, interior doors and floor finishes, attic ventilation improvements, and attic insulation upgrades. Project work will also include asbestos abatement of ceramic tile, mastic, shower bases, fire doors, and domestic hot water tank insulation.

STP - Treehaven Dormitory Shower Replacement (\$944,000): This project replaces four congregate toilet/shower rooms with private bathrooms in 30 reconfigured individual sleeping rooms and provides air conditioning in two identical field station dormitories at the Treehaven Field Station, southwest of Rhineland in Lincoln County. The project will upgrade and modernize the deteriorated and outdated facilities.

### **Health, Safety, and Environmental Protection**

PLT - Multi-Building Fire Alarm System Upgrade (\$330,500): This project will extend the campus emergency one way voice communication system to four buildings that are not presently connected to the campuswide fire alarm emergency communications system, and provide exterior speakers in the campus mall area. Project work will be completed in the Children's Center, Doudna Hall, Pioneer Student Center, and Russell Hall.

### **Programmatic Remodeling and Renovation**

MIL - Campus Data Center Evaluation and Expansion (\$1,500,000): This project evaluates, programs, plans, and constructs and/or renovates space to meet campus data center needs. The resulting campus data center(s) will provide adequate and secure space for all campus servers and related infrastructure, reduce redundant computing and environmental control systems, and incorporate energy saving and sustainable design practices to the greatest extent possible.

MSN - Waisman Center - Center for Creating a Healthy Mind Laboratory Remodeling (\$777,000): This project converts a Magnetic Resonance Imaging (MRI) laboratory suite S117 into a dry laboratory/office suite. All partition walls, the slab on grade concrete floor, raised floor systems, interior doors, and interior finishes will be removed and a new 3,700 SF laboratory suite will be constructed to support the contemplative practice research program.

### **Utilities Repair and Renovation Requests**

WTW - Prucha Field Turf Replacement (\$1,274,900): This project will replace the natural turf on the infield and warning track areas (~50,000 SF) with synthetic turf and makes several field improvements. Installation of artificial turf will improve field drainage, allow for earlier seasonal practices and result in maintenance savings.

This project will be partially funded through an annual \$10.20 increase to student segregated fees for a term of ten years, and raise the total student segregated fee to \$900.24 per year. This fee increase

is supported by and has been approved by the Student University Fee Allocations Committee (SUFAC) and the Whitewater Student Government.

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

Resolution I.3.f.

That, upon the recommendation of President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$10,078,400 (\$244,600 General Fund Supported Borrowing; \$944,000 Program Revenue Supported Borrowing; \$7,482,100 Program Revenue Cash; and \$1,407,700 Gifts and Grants).

**I.3.g. Report of the Associate Vice President**

1. Building Commission Actions - Associate Vice President David Miller reported that the Building Commission approved about \$33.5 million of projects at its April meeting. (There were no UWSA projects submitted for May SBC approval.) The funding breakdown of the April projects is \$15million General Fund Supported Borrowing, \$17 Program Revenue and \$1.5M gift and Grant Funds.
2. Discussion of the 2009-11 Capital Budget - The committee reviewed a draft of the 2009-11 Capital Budget request that will be presented to the board for approval in August. The draft included specific requests for 2009-11 and outlined anticipated projects and funding over the next six-years. Wisconsin statutes require that each state agency submit an agency-wide, six-year plan to the Department of Administration biennially.

Mr. Miller highlighted several considerations related to the plan:  
State General Fund Supported Bonding (GFSB) for all capital projects has been declining, (\$445 million GFSB in 2001-03, compared to \$393 million GFSB in 2007-09).

The proposed UW System capital budget would necessitate significant increases in General Fund Supported Borrowing (e.g. \$500 million in 2009-11). The state's annual general fund bonding capacity is restricted by limiting annual GFSB debt service to 4% of general purpose revenue.

Miller stated that UW System institutions requested about 55 projects for state funding totaling approximately \$1.3 billion between 2009-11 and 2013-15. The six-year plan anticipates funding 27 projects totaling \$767 million. This compares to \$418 million funded in the last three biennia.

There are several unknown factors evolving during the year that will impact the 2009-11 Capital Budget and the six- year plan (e.g. coal fired heating plants).

Mr. Miller presented figures about the extent of the backlog maintenance throughout the System. Due to decreased funding, the percentage of priority maintenance projects requested by campuses that are funded has dropped from 70% in 2003-05, to 22% in 2007-09. Miller stated that it would take approximately \$200 million per biennium before we could begin reducing our backlog maintenance. He said that routine operational maintenance funding had not received any increases in more than 20 years despite the growth of university facilities which has lowered the average of dollars per square foot spent

on upkeep to half the national benchmark. Miller said state funding for the maintenance program must be increased.

The state funded debt service required to fund the all of the requested projects and maintenance request in the draft 2009-11 Biennial Capital Budget would be approximately \$28 million on 20 year bonds.

**I.3.h. Consent Agenda:**

Regent Vasquez moved adoption of the minutes of the April 10, 2008, meeting of the Physical Planning and Funding Committee and the following resolutions as consent agenda items. The move was seconded by Regent Walsh and carried on a unanimous voice vote.

Resolution I.3.h.(2) granting authority for a permanent easement for access to private property adjacent to the UW-Madison Rhinelander Agricultural Research Station;

Resolution I.3.h.(3) granting authority to adjust the budget of the UW-Stevens Point Fine Arts Center Remodeling and Addition project;

Resolution I.3.h.(4) granting authority to adjust the budget of the UW-Stevens Point Dreyfus University Center Remodeling and Addition project; and

Resolution I.3.h.(5) approving amendments to the Bylaws of the Board of Regents to change the name of the Physical Planning and Funding Committee to the *Capital Planning and Budget Committee*.

These resolutions were referred to the consent agenda of the full Board of Regents at its Friday, June 7, 2008, meeting.

**I.3.i. UW-Superior: Approval of the Design Report and Authority to Construct the New Academic Building Project**

This item requested approval of the Design Report and authority to construct the New Academic Building project at an estimated total project cost of \$31,374,000 (\$23,174,000 General Fund Supported Borrowing, \$1,200,000 Building Trust Funds-Contingency, and \$7,000,000 Gift Funds). The \$31.4 million project includes \$7 million in gift funds of a majority of which was donated by Jim Swenson for whom the building will be named. The campus and foundation have secured a combination of cash gifts and loans to finance the gift pledges.

This project will construct a new 93,000 ASF/ 150,000 GSF building on the northwest corner of campus and will construct a 2,500 GSF instructional greenhouse addition to the Barstow Science Hall. The project also will abate hazardous materials in McCaskill and Sundquist Halls and demolish those buildings.

The new Academic Building will contain 24 general classrooms and lecture halls and additional specialized teaching labs. It will provide new office space for faculty and Informational Technology Services. The main campus computer and technology support facilities will also be located in the building. The facility design will maximize compliance with the LEED™ Green Building Rating System, although certification will not be sought.

The project will result in the consolidation of academic and academic support functions and provide state-of-the-art instructional spaces, cooperative work/study spaces and enhance student academic support services. It will also eliminate backlogged maintenance through demolition. The vacated

instructional and office space that is located in buildings that are not to be demolished will become available for backfilling with other functions. This will relieve overcrowding in a number of areas.

An allocation of \$969,000 was previously transferred from this project to the Rothwell Student Center project to pay for the Academic Building's pro-rated share of construction costs of the district chilled-water plant in the student center.

Upon the motion of Regent Vasquez and the second of Regent Walsh, the Committee unanimously approved Resolution I.3.i.

Resolution I.3.i.

That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct the New Academic Building project at an estimated total project cost of \$31,374,000 (\$23,174,000 General Fund Supported Borrowing, \$1,200,000 Building Trust Funds-Contingency, and \$7,000,000 Gift Funds).

**I.3.j. UW-Superior: Authority to Revise the Funding of the Jim Dan Hill Library Renovation**

This item requested authority to revise the funding and budget for the Jim Dan Hill Library Renovation project by an increase of \$847,800 General Fund Supported Borrowing–UW Infrastructure, and a decrease of \$1,125,000 Gift Funds, for a total estimated project cost of \$7,546,200 (\$4,292,000 General Fund Supported Borrowing, \$1,254,200 General Fund Supported Borrowing–UW Infrastructure, and \$2,000,000 Gift Funds).

This project will completely renovate the existing 70,350 GSF Jim Dan Hill (JDH) Library. Existing finished space on the first and second floors will be reconfigured, and unfinished space in the basement will be finished to provide expanded library space. Improved access will be provided for those with disabilities; an access stair to the basement will be constructed within the library security zone and a new elevator will be installed. All of the plumbing, mechanical, and electrical systems will be replaced, and a complete automatic fire sprinkler system will be added. A piping connection to the central chilled water plant will be provided. The floor structure will be reinforced to accommodate shelving loads, and compact movable storage will be installed to increase book capacity. Asbestos-containing materials will be abated, new finishes will be installed, and new furnishings will be provided.

During 2005-07 biennial budget discussions, UW System requested that the budget for this project be increased from \$7,300,000 to \$7,625,000 (\$5,625,000 General Fund Supported Borrowing and \$2,000,000 Gift Funds). However, the project was enumerated with a reduced budget of \$6,500,000 (\$4,500,000 General Fund Supported Borrowing and \$2,000,000 Gift Funds) assuming that all equipment could be eliminated from the project. Knowing that it would not be possible to produce a functional project without equipment, the campus requested an increase in gift funding. The UW-Superior Foundation agreed to increase the level of gift funding by \$1,125,000, thereby enabling a full project scope. During design the need for this additional funding was validated, even when some minor reductions in the project scope were made to meet the available budget.

Recently received bids were under budget. Consequently, the total project budget was reduced. However, despite fundraising efforts, the foundation was not able to generate the additional \$1,125,000 of gift funds needed for this project. Rather than delaying the project with the uncertain hope of securing additional gift funding, UW-Superior requests the restoration of general fund supported borrowing for a portion of the project. The campus maintains the original gift



commitment. Specifically, the campus requests UW Infrastructure funds since the majority of the project scope is the replacement and upgrading of obsolete and failing infrastructure.

Both projects at UW-Superior were discussed together because the gift funding for the two projects is interrelated. David Miller explained to the committee that UW-Superior previously committed a total of \$13 million in gift funding for three projects. The student union project is underway with \$4 million in gift funding. The Jim Dan Hill Library project has been bid however; proceeding with the project as enumerated with \$3,125,000 in gift funds would cause a delay in the new academic building which has a commitment of \$7 million in gifts. Returning to the original request for funding of the library would retain the original commitment of \$2 million in gifts and allow all three projects to remain on track.

Chancellor Julius Erlenbach commented that the campus and foundation will be able to meet the commitment to gift funds for all three projects if the state funds are restored to the library project. Erlenbach introduced the executive director of the UW-Superior Foundation, Jill Schoer. Schoer stated that fund raising was continuing and that the foundation has secured funding guarantees.

Upon the motion of Regent Vasquez and the second of Regent Walsh, the Committee unanimously approved Resolution I.3.j.

Resolution I.3.j.

That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, authority be granted to revise the funding and budget for the Jim Dan Hill Library Renovation project by an increase of \$847,800 General Fund Supported Borrowing–UW Infrastructure, and a decrease of \$1,125,000 Gift Funds, for a total estimated project cost of \$7,546,200 (\$4,292,000 General Fund Supported Borrowing, \$1,254,200 General Fund Supported Borrowing–UW Infrastructure, and \$2,000,000 Gift Funds).

**I.3.k. Additional items which may be presented to the Committee with its approval**

No additional items were presented to the Committee.

**I.3.z. Closed Session to Consider the Purchase of Property on Behalf of UW-Madison as Permitted by s. 19.85(1)(e), Wis. Stats.**

Upon the motion of Regent Falbo and the second of Regent Vasquez the Physical Planning and Funding Committee adjourned to closed session at 4:25 p.m. The closed session meeting adjourned at 4:45 p.m.