Committee Chair Regent Bartell convened the meeting of the Capital Planning and Budget Committee at 1:00 p.m. in Room 1418 of Van Hise Hall on the UW-Madison campus. Committee members present were Regents Bartell, Drew, Opgenorth, Vasquez, and Walsh.

I.3.a. **Approval of the Minutes of the May 7, 2009 Meeting of the Capital Planning and Budget Committee**

Upon the motion of Regent Vasquez and the second of Regent Drew, the minutes of the May 7, 2009 meeting of the Capital Planning and Budget Committee were approved as presented.

Chairman Bartell elected to begin the meeting with the Report of the Associate Vice President to hear about the status of the 2009-11 Capital Budget.

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

Associate Vice President David Miller on the progress of the 2009-11 Capital Budget. Miller reported that the Joint Finance Committee approved a total statewide capital budget of approximately $512 million in new General Fund Supported Borrowing. This is an increase of about $89 million over last biennium and reverses the trend of the last three budgets of decreased funding. Of that amount, the UW System will receive approximately $380 million for 17 major projects and maintenance of the existing facilities. The budget includes $486 million for 19 major projects funded by program revenue borrowing and gifts.

Miller characterized this as good news for the UW System, and also good news for the state. These 36 major projects will generate approximately 8,000 construction-related jobs and another 8,000 jobs related to the economic impact activity of construction, he said.

The Joint Finance Committee also retained the Board of Regents’ and Building Commission’s recommendation of a statewide All Agency fund of $200 million for maintenance. Miller added that the UW System will receive approximately $130 million of this funding for backlog maintenance.

Miller reported that the Building Commission approved about $88M for projects at the May 2009 SBC meeting. The funding breakdown for those projects is $32M General Fund Supported Borrowing, $55M Program Revenue and Gift Funds.

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

This item requested approval of the Design Report of the Residence Hall project, and authority to construct the project at a total estimated cost of $48,000,000 ($43,000,000 Program Revenue Supported Borrowing, $5,000,000 Program Revenue-Cash).

This project will construct a 500-bed, 214,000 GSF residence hall that will replace Baird and Trowbridge halls. The five-story building is designed to include sustainable design principles
that emphasize energy efficiency, long term durability, and ease of maintenance, while still retaining a high degree of flexibility. The project goal is expected to attain a LEED Silver Certification.

Each resident room will share a bathroom with the adjacent room. The living units in this new facility will be designed as eighteen distinct houses and each house will contain twelve or fourteen double rooms and two single rooms. The rooms will surround a central common space that will accommodate a TV viewing and casual gathering area, as well as a quiet gathering area. The gathering spaces will be separated by a kitchenette area. Two separate director apartments will also be included in the facility.

As part of this project, two existing residence halls, Baird and Trowbridge Halls, and an existing administrative building that was formerly a residence hall, Wilder Hall, will be demolished. Baird and Trowbridge each housed 200 students.

The project will be funded by an increase in room rental rates for all existing residence rooms on campus, as well as a premium rate charge for rooms in the new building. The new residence hall room rate will be approximately $4,100. The rate for a typical non-improved double occupancy room on campus will be approximately $3,200 ($3,130 2008-09).

Miller stated this is now being enumerated in the 2009-11 Capital Budget; however, the Department of Administration (DOA) allowed UW System to move forward with early planning so that when the enumeration is fulfilled by the signing of the budget, we will be close to going forward with bids.

Maura Donnelly Senior Architect for UW System showed renderings to illustrate where this new residence hall will be located on campus. Donnelly also explained how the units would be set up as two double bedrooms sharing one bathroom. There is a living area outside of the rooms to be shared by occupants.

Regent Bartell asked if there was an increase of room rates, to which Miller responded that the new room rate would be approximately $4100 which is an increase of $900 compared to a non-improved double occupancy room.

Regent Drew inquired if more students are expected to live on campus because of this new residence hall. Vice Chancellor for Administrative Services Bob Hetzel answered that there are currently 3100 students living on campus. The demand for student housing on campus justifies the additional beds and the students requested that the new hall be located on campus.

Upon the motion of Regent Vasquez and the second of Regent Drew, 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 Residence Hall project be approved and authority be granted to construct the project at a total estimated cost of $48,000,000 ($43,000,000 Program Revenue Supported Borrowing, $5,000,000 Program Revenue-Cash).
I.3. c. **UW-Madison: Authority to Seek a Waiver of Wis. Stat. § 16.855 under Provisions of Wis. Stat. § 13.48 (19) to Allow the Selection of a Construction Manager-at-Risk for Construction of: (1) the Athletics Hockey/Swim Facility and (2) the Wisconsin Energy Institute**

This item requested authority to seek a waiver of Wis. Stat. § 16.855 under provisions of Wis. Stat. § 13.48 (19) to allow selection of a Construction Manager-at-Risk (CM) for construction of (a) the Division of Intercollegiate Athletics Hockey/Swimming Facility at an estimated budget of $27,787,000 Gift Funds, and the Wisconsin Energy Institute, at an estimated budget of up to $100,000,000 ($50,000,000 General Fund Supported Borrowing and $50,000,000 Gift and Grant Funds).

The ability to have a construction manager-at-risk during the planning and design of these projects will offer significant benefits to inform the design teams, deliver more thorough construction documents, and provide more consistent scheduling and cost estimating early in the process. These benefits can help drive the construction faster, thereby reducing budget escalations. Both projects were enumerated in the 2009-11 Capital Budget.

a. **Division of Intercollegiate Athletics Hockey/Swimming Facility:** The project will provide a four-level 62,600ASF 86,275 GSF new facility and renovate 5,700 GSF in the existing Kohl Center for a women’s/men’s hockey practice facility, women’s hockey competition facility, and program support for women’s/men’s swimming.

b. **Wisconsin Energy Institute:** The project will design and construct a new WEI facility (up to 200,000 GSF) to support research, outreach, and administrative activities related to renewable energy and sustainability. The WEI facility will be located on the south side of the 1900 Block of Observatory Drive, west of Elm Drive.

Miller stated that the DOA project managers support construction in this manner and all work will be publicly bid. Regent Bartell asked about the specific justification for each of these projects to be constructed by a construction manager process. Miller answered that the primary justification in each project the compressed schedule. Each project will benefit from being completed months earlier through a construction manager. The second justification is the complexity of each project. With the hockey facility, the new construction will be an addition the Kohl Centers and connect to the SERF. The construction will occur while all normal activities continue. The construction budget for the Wisconsin Institute for Energy will evolve during the design period and benefit from accurate cost estimate developed by the construction manager during design and early bidding of certain components.

Upon the motion of Regent Walsh and the second of Regent Drew, 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 seek a waiver of Wis. Stat. § 16.855 under provisions of Wis. Stat. § 13.48 (19) to allow selection of a Construction Manager-at-Risk (CM) for construction of (a) the Division of Intercollegiate Athletics...
Hockey/Swimming Facility at an estimated budget of $27,787,000 Gift Funds, and the Wisconsin Energy Institute, at an estimated budget of up to $100,000,000 ($50,000,000 General Fund Supported Borrowing and $50,000,000 Gift and Grant Funds).

I.3.d. UW-Madison: Authority to Grant Easements to the City of Madison for Access to West Madison Agricultural Research Station Land for Sewer Facilities and Improvements

This item requested authority to grant a permanent easement together with a temporary limited construction easement to the city of Madison for access across the West Madison Agricultural Research Station’s (WMARS) farm land to construct public sanitary sewer facilities and associated improvements for ongoing residential development around the research station property. These improvements are part of the city of Madison’s Elderberry Neighborhood Development Plan. In return for the value of the easements, UW-Madison will receive credits toward future impact fees that would be paid to the city.

The 20-foot wide by 2,619-foot long permanent easement which runs along an existing gravel farm road and drainage way from Pleasant View Road to the end of the WMARS property, does not affect any existing improvements on the research station’s property. Therefore, no costs will be incurred by the university. In lieu of payment for the property, the city of Madison will grant credits towards future impact fees that UW-Madison would have to pay the city.

The temporary limited construction easements include one 10-foot wide by 298 foot long strip of land and two five-foot wide strips of land running along the length of the permanent easement.

Miller said this is a routine easement at the agricultural research station. This easement grants the city access to bury a sewer line along the gravel farm road. Regent Bartell asked how the value of the land is determined. Miller said it is the square footage by the current appraised value per acre, which is $112,700 per acre. It is 1.8 acres of land that is split in a 50% ratio and then that amount is adjusted annually by construction cost inflation.

Regent Vasquez asked if there is any time limit on credits toward future impact fees to which Tom Stafford Senior System Legal Counsel answered that if any fee is assessed in the future it will be available as an offset.

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

Resolution I.3.d.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, a permanent easement together with a temporary limited construction easement be granted to the city of Madison for access across the West Madison Agricultural Research Station’s (WMARS) farm land to construct public sanitary sewer facilities and associated improvements.
I.3.e. **UW-Platteville: Authority to Construct a Forensic Laboratory House and Seek a Waiver of Wis. Stat. § 16.855 under Provisions of Wis. Stat. § 13.48 (19) to Allow the University to Construct the Project**

This item requested authority to (a) construct a forensic laboratory house at the UW-Platteville Farm for a total estimated project cost of $140,000 Agency Funds and (b) seek a waiver of Wis. Stat. § 16.855 under provisions of Wis. Stat. § 13.48 (19) to allow for construction by UW-Platteville Building Construction Management students and selected subcontractors.

Although this structure is not intended to be inhabited, it will be built authentically as a house with standard rooms, associated utilities, and an attached garage. Construction of this project will provide learning opportunities for both building construction and horticulture students. The completed laboratory house will provide the location where Criminal Justice Department students will experience learning opportunities such as conducting search patterns and participating in activities such as fingerprint collection and preservation, crime scene photography, sketching and mapping, and various other evidence collection techniques. The estimated cost of construction (excluding student labor) is $140,000 and the project will be funded by the Criminal Justice Department operating budget.

The laboratory house will be built adjacent to the existing Forensic Investigation Research Facility which is located at the UW-Platteville Pioneer Farm. The structure will be a 1,500 GSF single-story building with vinyl siding and an asphalt shingled roof. It will have three bedrooms, one bathroom, a kitchen, a living room, and an attached one car garage with gravel driveway. There will be a full basement and attic. The structure will only be used for teaching and research purposes and will not be inhabited.

It is anticipated that this structure would also be used by university, local, county, state, Tri-State police, and public safety personnel for their required continuing education training relating to tactics, response, crime scene, and emergency incidents. These agencies could also make use of the proposed structure for scenario based learning.

The waiver of Wis. Stat. § 16.855 is required to allow UW-Platteville students to perform the project construction and to allow the Construction Management students to select project subcontractors from solicited bids. The estimated project value of these subcontracts will be under $40,000. Construction will begin in the summer of 2009 with completion by spring of 2010.

Miller stated that the UW-Platteville Construction Manager Program has constructed private facilities for the past several summers on private land. The unique aspect of this project is that it is built on state land and therefore requires Regent and Building Commission approval. Regent Bartell asked for clarification about whether the students will doing the actual construction of this house. Miller answered that students would be performing actual construction except for portions identified for bidding out to subcontractors such as the foundation and septic system.

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

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted to (a) construct a forensic laboratory house at the UW-Platteville Farm for a total estimated project cost of $140,000 Agency Funds and (b) seek a waiver of Wis. Stat. § 16.855 under provisions of Wis. Stat. § 13.48 (19) to allow for construction by UW-Platteville Building Construction Management students and selected subcontractors.

I.3.f. **UW-Stevens Point: Approval of the Design Report and Authority to Construct the Waste Management Center Project**

This item requested approval of the Design Report and authority to construct the Waste Management Laboratory project at a total project cost of $4,550,000 ($1,789,000 General Fund Supported Borrowing-Existing and $2,761,000 General Fund Supported Borrowing).

This project will construct a new 10,000 GSF Waste Management Laboratory and campus resource recovery center on the north end of campus. The laboratory will serve the Soil and Waste Resources program and will feature a pilot wastewater treatment plant, a composting lab, a microbiology lab, and an adjoined recycling center offering co-training opportunities in materials recycling.

The wastewater pilot plant will contain a miniature wastewater treatment facility capable of operating at 4,000 gallons per day of continuous flow. The plant will be used as a teaching tool to enhance student understanding of the operational parameters and problems associated with industrial and municipal treatment plants. The composting laboratory will consist of a series of composting machines, waste sizing equipment, storage bins, testing apparatus, work surface lab benches, a mixing area, and mixing equipment. The microbiology instruction lab will consist of bench space and wet chemistry facilities to serve twenty students. A single office for record keeping and communication will also be provided.

The resource recovery materials handling center will provide 4,400 ASF space to receive and process campus generated recyclables, which includes office paper, glass and plastic bottles, aluminum cans, and cardboard. The facility will contain one compactor and two bailers, a 500-pound hoist, and storage space.

This will be the first waste management facility of its kind built at a technical college or university in Wisconsin. There is only one other facility of its type in the Midwest and only three are known to be at higher education institutions across the country.

This project was submitted as part of the 2003-05 Capital Budget at a requested amount of $2,479,000, but it was not recommended for enumeration by the building commission. It was resubmitted in the 2005-07 biennium at a project cost of $2,479,000 and was subsequently enumerated at $1,789,000 to construct a pre-engineered metal building rather than the originally requested masonry structure. However, during the design of the project it was determined that a pre-engineered metal building was incompatible with the purpose of the building. The A/E consultant was directed to review the program and provide cost estimates for a masonry building. The increase in the cost of the project is due to an increase in the
amount of laboratory space and the increase in the cost of construction since the project was budget was originally estimated.

Miller said this project was enumerated prior to design and a project budget was estimated at the time it was enumerated. It was approved as a metal building instead of masonry by the state as a cost saving measure. However, because of the wet conditions created by the research it cannot be a metal building. Regent Vasquez asked about the capability of wastewater treatment being a relatively small amount. Greg Diemer, Vice Chancellor of Business Affairs at UW-Stevens Point answered that the wastewater used for this research facility is artificially generated because it would be too expensive to divert from the campus’ wastewater. Diemer also said the center will work with recyclable material from the campus like paper, cans and metal.

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

Resolution I.3.f.

That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, the Design Report of the Waste Management Center project be approved and authority be granted to construct the project at a total cost of $4,550,000 ($1,789,000 General Fund Supported Borrowing-Existing and $2,761,000 General Fund Supported Borrowing).

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

This item requested authority to construct maintenance and repair projects at an estimated total cost of $2,794,300 ($2,339,300 Program Revenue Supported Borrowing and $455,000 Program Revenue-Cash).

The UW-Oshkosh Multi-Building Energy Conservation project ($2,339,300) This project will assist UW-Oshkosh in complying with the energy reduction goals that are stipulated in Executive Order 145. This project will implement energy conservation opportunities based on a recently completed comprehensive investment grade energy audit. The debt service will be paid from the annual energy cost savings from the fuel and utilities appropriation.

Project work will include performance of a wide range of energy conservation measures throughout campus. The project will upgrade lighting across campus, replace steam traps, upgrade HVAC systems and controls, and install solar electric photovoltaic and solar thermal domestic hot water systems. Facility performance indexing (continuous commissioning services) will also be provided.

UW-Platteville - Melcher Hall Exterior Windows Replacement ($455,000): This project will replace 132 exterior windows in the residence hall rooms with new energy efficient units. The replacement units will have commercial grade insulated glass set in thermally broken insulated aluminum frames. Melcher Hall (54,445 GSF constructed in 1966) has a ground/basement floor plus four stories above grade. All replacement windows will be set in existing and unmodified masonry openings.
Miller said the energy conservation project in Oshkosh will be funded with Program Revenue Borrowing that is repaid through the fuel and utility’s account from savings from the project. Many buildings on the Oshkosh campus will be touched by this project in a wide range of energy conservation. The other project is a window replacement at Platteville which will be more energy efficient.

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

**Resolution I.3.g.**

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct maintenance and repair projects at an estimated total cost of $2,794,300 ($2,339,300 Program Revenue Supported Borrowing and $455,000 Program Revenue-Cash).

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

No additional items were presented to the Committee.

Upon the motion of Regent Vasquez and the second of Regent Opgenorth the Capital Planning and Budget Committee adjourned at 1:44 p.m.