Regent Bartell convened the Joint Meeting of the Capital Planning and Budget Committee and the Business, Finance, and Audit Committee at 1:20 p.m. in the Alumni Fireside Lounge on the UW-Milwaukee campus. Regents Bartell, Burmaster, Falbo, Connolly-Keesler, and Smith were present. Regents Drew, Opgenorth, Vasquez, and Walsh were absent.

The Committees met jointly for a presentation on the UW-Milwaukee master planning process.

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

The Master Plan Update was presented by Vice Chancellor Christy Brown and Lora Strigens of Hammel, Green, and Abrahamson.

There has been a lot of activity related to the UW-Milwaukee Master Plan since the last report the Board received in June of 2008. The presentation covered the master plan process, the key elements of academic planning, research growth, and physical planning for the campus.

The plan is being implemented in four phases:

- **Phase A – Observations and Assessment** – During this phase, the master plan team met with all schools and colleges, as well as many other departments, organizations, and student groups. It assessed the physical condition of buildings, infrastructure, parking, and transportation needs.

- **Phase B – Vision** – During this phase the team worked with UWM to establish a big picture vision for the campus. This included the exploration of potential at various opportunity sites and the examination of the potential distribution of academic programs at those sites.

- **Phase C – Design Studies** – During this current phase the team focuses on the development of detailed design studies for the opportunity sites, with a particular focus on the Kenwood Campus. Design guidelines will result from this phase.

- **Phase D – Implementation** – During this phase, which overlaps with Phase C, the feasibility of implementing the various opportunities is developed. Phase D will examine financial, operational, and other costs of implementation and also look at phasing options. The master plan is scheduled to be completed in December 2009.

Facts presented by the campus include that there have been more than 300 participants at the February & March master plan presentations; there have been over 200 electronic feedback and survey responses to date; and there have been more than 100 campus representatives on master plan committees; and more than 100 meetings, presentations, and listening sessions involving the campus, community, and other partners.
The joint meeting ended at 1:28 p.m.

Committee Chair Regent Bartell convened the meeting of the Capital Planning and Budget Committee at 2:57 p.m. in Room 280 of the Union on the UW-Milwaukee campus. Committee members present were Regents Bartell, and Opgenor. Regent Walsh joined the meeting in progress. Regents Drew and Vasquez were absent.

I.3.b. **Approval of the Minutes of the March 5, 2009 Meeting of the Capital Planning and Budget Committee**

All items were approved at the end of the meeting when a quorum was present.


This item requested authority to seek a waiver of Wis. Stat. § 16.855 under Wis. Stat. § 13.48(19) to allow a design-build entity to design and construct a Physical Plant Shops/Office Building project at a total project cost not to exceed $4,600,000 Existing Program Revenue Supported Borrowing.

A waiver will enable the Department of Administration (DOA) to issue a competitive Request for Proposal (RFP) for the design and construction of a facility for UW-Madison Physical Plant functions. The 60,900 GSF building will be located on the site currently occupied by Parking Lot 51 on the Madison campus, immediately south of the Physical Plant Fleet and Service Garage building. The project will involve reconstruction of a small portion of the existing fleet building. This new 3-story building is needed to house offices, shop space, stores, and storage operations which must be moved for the expansion of the Charter Street Heating Plant (CSHP). The facility will also accommodate the existing fleet operations, and construct shell space for Physical Plant consolidated operations in a future project.

The building will be constructed using program revenue bonding authority which will be enumerated in the Charter Street Heating and Cooling Plant–Madison project in the 2009-11 Capital Budget.

Associate Vice President David Miller said this project is the first project in conjunction with the Charter Street Heating Plant. He went on to explain that the new facility would be located on the current vehicle fleet parking lot on the UW-Madison campus. Regent Bartell asked for further explanation of the funding to be used for this project.

Miller stated that the bonding authorization was embedded in the larger enumeration of the Charter Street Heating Plant. The debt service will be charged to the UW System’s fuel and utility account (fund 109) which is funded through combination of general purpose revenue and fees.

**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 Wis. Stat. § 13.48(19) to allow a design-build entity to design and construct a Physical Plant Shops/Office Building project at a total project cost not to exceed $4,600,000 Existing Program Revenue Supported Borrowing.

I.3.d. **UW-Madison: Authority to Execute Platting Documents, Grant Utility Easements, and Transfer Land for the Development of Research Park II**

This item was deferred until a future meeting.

I.3.e. **UW-Oshkosh: Approval of the Design Report and Authority to Adjust the Budget and Construct the Elmwood Center Remodeling and Addition Project**

This item requested approval of the Design Report of the Elmwood Center Remodeling and Addition project and authority to increase the budget by $357,000 Energy Incentive/Retrofit Funds and construct the project at a total cost of $8,821,000 ($8,464,000 General Fund Supported Borrowing and $357,000 Energy Incentive/Retrofit Funds).

The project will renovate the existing 31,500 GSF Elmwood Center and add approximately 11,000 GSF of additional space for Student Support, Development, and Academic Resource Center functions from scattered locations into one facility at the Elmwood Center site.

The building interior, including all plumbing, mechanical, and electrical systems as well as interior finishes will be replaced and a new fire sprinkler system will be added. The exterior envelope will be upgraded with new high-efficiency glass and roof insulation. The addition will provide expansion capacity within the facility. All areas of the building will be designed to meet current accessibility standards.

The design of the building is heavily influenced by the principles of sustainability. The renovated building will have a geo-thermal heat pump system for heating and cooling needs, eliminating the need to connect to the campus central steam, condensate and chilled water loops, in the campus mall. The geo-thermal field will be constructed under parking lot 34. The project will be designed to allow as much natural daylight as possible to enter the interior spaces which will reduce the need for artificial illumination. The building and systems will be designed to be approximately 38% more energy efficient than the current State of Wisconsin Building Code.

Miller said this project is reusing a building that has been vacant for some time, will be approximately 38% more energy efficient than current code, and merit a LEED Silver rating. Miller stated the students have previously voted to increase segregated fees to fund increased staffing of student services personnel that will occupy the completed building.

Resolution I.3.e.
That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, the Design Report of the Elmwood Center Remodeling and Addition project be approved and authority be granted to increase the budget by $357,000 Energy Incentive/Retrofit Funds and construct the project at a total cost of $8,821,000 ($8,464,000 General Fund Supported Borrowing and $357,000 Energy Incentive/Retrofit Funds).

I.3.f. **UW-Platteville: Authority to Purchase a Parcel of Land and to Accept a Gift of Two Parcels of Land for the Purpose of Future Road Construction**

This item requested authority to (1) accept a gift-in-kind of two parcels of land, 435 Gridley Avenue and an undeveloped 0.67 acre property known as Tract 1 located along South Chestnut Street in Platteville Township, from the UW-Platteville Foundation valued at $20,500 and $5,000 respectively, and (2) purchase a privately-owned property, which is located at 820 South Chestnut Street, at an acquisition cost of $141,900 Program Revenue-Cash.

The three properties are: a 0.24 acre vacant lot located at 435 Gridley Avenue; an undeveloped 0.67 acre Tract 1 property along South Chestnut Street; and an improved 0.74 acre property located at 820 South Chestnut Street. The properties adjoin university-owned property to the east and south-east of the Ralph E. Davis Pioneer Stadium. Gridley Avenue and South Chestnut Street carry significant traffic and serve as the dominate access route to the campus from Highway 151 (Business 151).

The Gridley Avenue property has been owned by the UW-Platteville Foundation since December 2004. An Environmental Assessment for Real Estate Acquisitions was completed on the property in November 2004, and no apparent environmental contamination was found. Two appraisals of this property were completed in 2004 which valued the property at $21,500 and $19,500 and their average establishes a fair market value of $20,500.

The Tract 1 property has been owned by the UW-Platteville Foundation since August 2008. An Environmental Assessment for Real Estate Acquisitions was completed for this property in July 2008, and no apparent environmental contamination was found. The estimated property value, which is based on comparable acreage, is $5,000.

The 820 South Chestnut Street property contains a single-story cement-block building (60’ by 90’) that was constructed in 1926 and is now in poor condition. An Environmental Assessment for Real Estate Acquisitions was completed for this property in October 2008. The Certification of Assessment Findings required a limited additional investigation that was completed by an environmental services consultant.

This additional testing found a limited amount of asbestos-containing building materials that is within expected quantities and will require standard abatement. Additional testing of groundwater determined an elevated level of lead attributed to naturally-occurring lead deposits which are consistent with other test sites in the region. The WDNR issued a Liability Clarification Letter to the current property owner that exempts both the current and
future owners of this property from liability pertaining to naturally-occurring lead and the natural impact of this lead on groundwater. Two appraisals were completed on this property in the summer of 2007. They valued the property at $133,800 and $150,000 and their average establishes a fair market value of $141,900.

University ownership of these three properties will contribute to the development of a new entrance to the campus from US HWY 151/Business 151. The new entrance is supported by the Grant County Highway Commissioner, the city of Platteville, and the campus. A deteriorated concrete bridge will be replaced by the Grant County Highway Department and the city of Platteville will develop a roundabout and a new street from the bridge to the campus. The street project is proposed for the year 2014.

Miller stated the intent of the bridge is to connect Hwy 151 to the south end of campus which will create a new entrance to UW-Platteville that avoids downtown congestion. Regent Opgenorth asked for further explanation of the location. Rob Cramer Assistant Chancellor at UW-Platteville spoke how this was being planned with the county and the city as the entrance to the campus. Cramer said the road will be to the east of the stadium and will intersect Southwest Road, which Southwest Road intersects with Hwy 151.

Resolution I.3.f.

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted to: (1) accept a gift-in-kind of two parcels of land, 435 Gridley Avenue and an undeveloped 0.67 acre property known as Tract 1 located along South Chestnut Street in Platteville Township, from the UW-Platteville Foundation valued at $20,500 and $5,000 respectively, and (2) purchase a privately-owned property, which is located at 820 South Chestnut Street, at an acquisition cost of $141,900 Program Revenue-Cash.

I.3.g. **UW-Stevens Point: Authority to Demolish Hyer Hall, Approval of the Design Report, and Authority to Adjust the Budget and Construct a New Residence Hall Project**

This item requested (1) authority to demolish Hyer Hall, (2) approval of the Design Report of the New Residence Hall project, and (3) authority to increase the scope and project budget by $482,000 ($183,000 General Fund Supported Borrowing All Agency Funds and $299,000 Program Revenue Supported Borrowing All Agency Funds) and to construct the project for a total estimated cost of $35,982,000 ($35,500,000 Program Revenue Supported Borrowing, $299,000 General Fund Supported Borrowing All Agency Funds and $183,000 Program Revenue Supported Borrowing All Agency Funds).

This project will construct a 323-bed, 88,000 ASF/140,250 GSF residence hall that will replace Hyer Hall. The six-story building will be developed, sited, and designed to include sustainable design principles with an expectation that it will achieve a minimum of a US Green Building Council LEED Silver Certification.

The building site is in the northeast portion of the campus between Reserve Street and Illinois Avenue. The project requires the abatement and demolition of Hyer Hall which is a
1963 constructed, 200-bed, 40,637 GSF residence hall.

Student surveys have expressed a strong preference for suite-style living accommodations that offer private bedrooms, semi-private bathrooms, kitchens, and a living area. This new facility will provide 82 units comprised of five single-occupant bedrooms. Each unit includes one bedroom with a separate entrance designated for the Community Advisor, a common living room, kitchen, and bathroom. Additionally, the Hall Director will be housed in a separate two-bedroom unit.

The campus Housing Master Plan identified a multi-year renovation program for the re-development of eight halls over a period of eight years resulting in a loss of six beds per hall plus the loss of 200 beds due to the demolition of Hyer Hall. This 330-bed suite style residence hall will result in a net gain of 82 beds to the campus while increasing housing options.

The budget and scope increase represents the opportunity to add electrical distribution to this project during the site utility work in order to serve the needs of future buildings identified in the recent campus master plan that are located to the north and the east of this site.

Maura Donnelly Senior Architect distributed drawings of the proposed building. Regent Bartell asked for clarification about the sufficiency of beds on campus. UW-Stevens Point Provost Mark Nook described how this will meet and fulfill the housing needs on campus by providing the right mix of accommodations to meet the needs of upper division students. Regent Opplenorth asked what the ratio will be of residence assistants to students. Donnelly said there is a residence assistant in each wing on each floor, which is approximately a one to 25 ratio.

Resolution I.3.g.

That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, (1) authority be granted to demolish Hyer Hall, (2) the Design Report of the New Residence Hall project be approved, and (3) authority be granted to increase the project budget by $482,000 ($183,000 General Fund Supported Borrowing All Agency Funds and $299,000 Program Revenue Supported Borrowing All Agency Funds) and to construct the project for a total estimated cost of $35,982,000 ($35,500,000 Program Revenue Supported Borrowing, $299,000 General Fund Supported Borrowing All Agency Funds and $183,000 Program Revenue Supported Borrowing All Agency Funds).

I.3.h.  UW-Stout: Authority to Adjust the Budget of the Hovlid Hall Renovation and Addition Project

This item requested authority to increase the budget of the Hovlid Hall Renovation and Addition project by $600,000 ($300,000 Residual Program Revenue Supported Borrowing and $300,000 Program Revenue-Cash) for an estimated total project cost of $13,000,000 ($8,570,000 Program Revenue Supported Borrowing, $1,880,000 Residual Program Revenue Supported Borrowing, and $2,550,000 Program Revenue-Cash).
This project includes the complete renovation of approximately 26,400 ASF/39,900 GSF of space in Hovlid Hall on North Campus. The renovated space will provide double occupancy resident rooms in addition to kitchen and lounge areas on each floor. Existing restrooms will be expanded on each floor and remodeled to provide more privacy, convenience, accessibility, and maintainability. An enclosed connection will be constructed between Hovlid Hall and Fleming Hall and will provide a central desk/lobby area that will serve both halls. An approximate 19,050 ASF/27,500 GSF addition is included to provide modern food service facilities (food preparation, dining, and convenience store).

This project was originally enumerated at $8,570,000 as part of the 2003-05 Capital Budget. The design stage of the project resulted in an increase in the scope and size of the food service component. That adjustment, combined with an escalation of building costs since the project was originally enumerated, resulted in a budget increase that was approved in October of 2008. Project bids, which were received in February of 2009, resulted in a project budget shortfall of $600,000. Although it is possible to award construction contracts by making use of the project contingency fund to satisfy the shortfall, a budget increase is requested at this time to preserve the project contingency funding and the ability to respond to unforeseen conditions that can often occur in remodeling projects. This budget increase will not result in additional fees.

Regent Opgenorth asked for further explanation of the contingency fund. Miller stated that the contingency funds are a part of every project budget to allow for unforeseen circumstances that arise during construction. He added that if the funds are not needed the bonding authority is revered to a residual account that is available for other projects.

Resolution I.3.h.

That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget of the Hovlid Hall Renovation and Addition project by $600,000 ($300,000 Residual Program Revenue Supported Borrowing and $300,000 Program Revenue-Cash) for an estimated total project cost of $13,000,000 ($8,570,000 Program Revenue Supported Borrowing, $1,880,000 Residual Program Revenue Supported Borrowing, and $2,550,000 Program Revenue-Cash).

I.3.i. UW System: Authority to Construct an All Agency Maintenance and Repair Project

This item requested authority to construct a maintenance and repair project at an estimated total cost of $800,000 Gifts and Grants Funding.

This request will increase the UW-Madison University Houses Preschool Renovation project budget to match current design consultant estimates. The recent cost estimates significantly exceed the authorized budget and the budget increase is required to bid the project. The increase is needed to complete the originally approved project scope and intent, and to expand the scope to meet current building codes. Additional project scope items
include construction of a new passenger elevator, separation of mechanical utilities and services, and modification of site access and the associated road work.

Miller said the increase is needed to complete the original scope and to meet the current building codes. Miller added that it was operated by the School of Human Ecology as a teaching preschool. Regent Bartell asked where the facility would be located. Alan Fish said this was located at University Houses next to Shorewood Hills. Fish added that the project would partially alleviate the current child care shortage on campus. Regent Opgenorth asked about the need for a childcare facility at UW-Madison versus the needs for facilities at other campuses. Miller stated that childcare facilities are funded by each individual campus and that the UW System does not prioritize projects that are funded by the campus.

Resolutions

Resolution I.3.i.

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct a maintenance and repair project at an estimated total cost of $800,000 Gifts and Grants Funding.

Upon the motion of Regent Walsh and the second of Regent Opgenorth, the Committee unanimously approved Resolution I.3.b, I.3.c, I.3.e, I.3.f, I.3.g, I.3.h, I.3.i.

I.3.j. Report of the Associate Vice President

1. 2009-11 Capital Budget Update - Associate Vice President David Miller updated the committee on the progress of the 2009-11 Capital Budget. Miller reported that the Building Commission approved a total statewide capital budget authorizing $484 million in new General Fund Supported Borrowing. Of that amount, the UW System will receive approximately $346 million which is about 70% of new investment. Miller stated that is roughly proportional to UW’s percentage of total gross square feet of state-owned facilities.

2. All Agency 2007-09 Biennial Report - Planning & Systems Specialist Tom Bittner provided a report about the All Agency Projects Program and how it specifically targets maintenance and repair projects. Recent increases to the All Agency funding were intended to decrease the maintenance backlog, however, funding availability remains at less than half of the demonstrated need and the program limits both the scope and budget for each project. The percentage of projects requested that are deferred has grown from 30% to 78% in just two biennia due to the aging of facilities and lack of funding.

3. Building Commission Actions - Associate Vice President David Miller reported that the Building Commission approved about $23.7M for projects at the April 2009 SBC meetings. The funding breakdown for those projects is $18.6M General Fund Supported Borrowing and $5.1M Program Revenue.

I.3.k. 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 Opgenorth and the second of Regent Walsh the Capital Planning and Budget Committee adjourned at 4:13 p.m.