

**Minutes
Capital Planning and Budget Committee
Thursday, August 19, 2010**

Capital Planning and Budget Committee Chair Regent Bartell convened the meeting of the Capital Planning and Budget Committee at 1:05 p.m. in Room 1418, Van Hise Hall on the UW-Madison campus. Committee members present were Regents Bartell, Drew, S. Davis, Loftus, and Manydeeds.

I.3.a. Approval of the Minutes of the June 10, 2010 Meeting of the Capital Planning and Budget Committee

Upon the motion of Regent Loftus and the second of Regent Drew, the minutes of the June 10, 2010 meeting of the Capital Planning and Budget Committee were approved as presented.

I.3.b. UW-Madison: Approval of the Design Report of the Wisconsin Energy Institute Phase I Project and Authority to Adjust the Scope and Budget and Construct the Project

This item requested approval of the Design Report of the Wisconsin Energy Institute –Phase I project and authority to (a) increase the project scope and budget by \$5,586,600 (\$1,010,600 General Fund Supported Borrowing Utility Improvements and \$4,576,000 Gift/Grant Funds) and (b) construct project at a total estimated budget of \$55,586,600 (\$50,000,000 General Fund Supported Borrowing, \$1,010,600 existing General Fund Supported Borrowing – Utility Improvements, and \$4,576,000 Gift/Grant Funds).

This project will construct a new 59,998 ASF/107,000 GSF building to house the Wisconsin Energy Institute (WEI) on the UW-Madison campus. The building will be located just west of the University Avenue and Campus Drive intersection. A future phase two of the project will include the site currently occupied by the Navy ROTC Building at 1610 University Avenue directly to the west.

The proposed phase one building will house labs and offices to support research efforts. It is comprised of five floors organized around a linear light well to maximize quality day lighting of all interior spaces, a basement and a mechanical penthouse. The first floor will contain public spaces including the education and outreach components of the Great Lakes Bioenergy Research Center (GLBRC), meeting spaces, and a small coffee shop to serve the building and neighborhood. This project includes the demolition of the current building at 1552 University Avenue.

The building will be designed to maximize compliance with the United States Green Building Council's LEED® (Leadership in Energy and Environmental Design) green building rating system.

The project scope is being increased to extend a 15kV distribution circuit to the site since the existing 4160V distribution system does not have adequate capacity to serve the new building. The work will be funded from savings in the Walnut Street Substation project. The added gift

funds will provide for: (a) the finishing of additional research office space, (b) the additional energy saving and sustainable building features, and (c) the addition of building services to support phase two of the project.

Professor of Bacteriology, Tim Donahue, spoke about how projects house researchers who are working to reduce dependence on fossil fuels. Collaborators from across the country who participate on these initiatives are working on a broad array of renewable energy research.

Regent Bartell asked if the referenced bonding savings could be better described, to which Associate Vice Chancellor Alan Fish answered that there is currently a wide variety of energy-saving projects on campus for which bids are coming in low, thus it is anticipated that similar savings will be realized on this project.

Upon the motion of Regent Davis and the second of Regent Loftus the Committee approved Resolution I.3.b.

Resolution I.3.b.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the Design Report of the Wisconsin Energy Institute – Phase I project be approved and authority be granted to (a) increase the project scope and budget by \$5,586,600 (\$1,010,600 General Fund Supported Borrowing Utility Improvements and \$4,576,000 Gift/Grant Funds) and (b) construct project at a total estimated budget of \$55,586,600 (\$50,000,000 General Fund Supported Borrowing, \$1,010,600 existing General Fund Supported Borrowing – Utility Improvements, and \$4,576,000 Gift/Grant Funds).

I.3.c. UW-Madison: Approval of the Design Report of the Wisconsin Institutes for Medical Research Center Tower Project and Authority to Construct the Project

This item requested approval of the Design Report and authority to construct the Wisconsin Institutes for Medical Research (WIMR) Center Tower project at a total estimated project cost of \$134,800,000 (\$67,400,000 General Fund Supported Borrowing and \$67,400,000 Gift/Grant Funds).

This project is the second phase of the larger WIMR project. This phase completes the second of three towers which will ultimately unify the University of Wisconsin School of Medicine and Public Health on the west campus, near the University Hospital and Clinics, the Waisman Center, the School of Pharmacy, and the Health Sciences Learning Center.

The 195,800 ASF/266,000 GSF center tower will consist of a seven story laboratory tower on a three story base. The seven research laboratory floors of the center tower will be occupied by the Eye Research Institute; oncology; cardiovascular and regenerative sciences; and molecular and neurosciences research groups.

A majority of the base floors that will support the second tower were completed as part of the first phase of the project. This phase of construction will include the portion of the base building that was not completed during the first phase and the seven-story circulation corridor

element that will connect the east tower with the center tower and the future west tower, which will ultimately be built as part of the third phase of WIMR.

The project will integrate sustainability practices where appropriate and incorporate construction material recycling, daylighting, substantial heat recovery, robust building automation controls, a rain garden, an accessible green roof, and low maintenance landscape features. The project will be LEED® certified as a requirement of the received NIH grant funding.

The project will use a construction-manager-at-risk process to expedite the project's completion and take optimal advantage of funding as it becomes available by sequencing construction work so that portions of work are bid and constructed as they are developed.

Upon the motion of Regent Drew and the second of Regent Loftus the Committee 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, the Design Report be approved and authority be granted to construct the Wisconsin Institutes for Medical Research Center Tower project at a total estimated project cost of \$134,800,000 (\$67,400,000 General Fund Supported Borrowing and \$67,400,000 Gift/Grant Funds).

I.3.d. UW-Madison: Authority to Enter into a Lease for Facilities on Behalf of the Belleville Wisconsin Family Medicine Clinic

This item requested authority to seek approval for the Department of Administration (DOA) to execute a lease for 21,000 GSF of clinic space for the UW-Madison School of Medicine and Public Health's Department of Family Medicine (DFM) within the Village of Belleville, Wisconsin, for the Belleville Family Medicine Clinic.

The Belleville clinic has severely outgrown its present facility and this lease will provide a maximum of 21,000 GSF of space for the clinic in a building that will be built and owned by the Madison Family Medicine Residency Corporation. The non-profit corporation's mission is to advance the family medicine training programs at the university and to enhance cooperation between the entities interested in improving health care and medical training.

The five acres of land on which the facility will be constructed will be donated to the Madison Family Medicine Residency Corporation. The land donors, the Francois family of Belleville, will provide all infrastructure on the site including roads, curbs, utilities, sewer, and water.

The Madison Family Medicine Residency Corporation will contract with Vogel Brothers Building Company to whom the project contract was awarded. This contract results from a carefully evaluated Request for Proposal (RFP) process that was conducted by the UW-Madison Facilities Planning and Management office using the Department of Administration RFP procedures and state standards for design and construction.

Upon the motion of Regent Loftus and the second of Regent Davis 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, authority be granted to seek approval for the Department of Administration (DOA) to execute a lease for 21,000 GSF of clinic space for the UW-Madison School of Medicine and Public Health's Department of Family Medicine (DFM) within the Village of Belleville, Wisconsin, for the Belleville Family Medicine Clinic.

I.3.e. UW-Milwaukee: Authority to Purchase a Parcel of Land of Approximately 11 Acres and Buildings Adjoining the Campus

This item requested authority to purchase the Columbia St. Mary's Hospital Campus at a cost of \$20,155,000 (\$5,000,000 Existing General Fund Supported Borrowing, \$15,155,000 Program Revenue Supported Borrowing).

The property value is the average of two independent appraisals; one obtained by UW-Milwaukee of \$15,310,000 and one obtained by Columbia St. Mary's of \$25,000,000. Approval of this request will permit the university to exercise an option to purchase the property at a total cost of \$20,155,000 plus closing costs. The purchase option is contingent upon completion of a final Environmental Site Assessment that indicates no substantial environmental hazards.

The Columbia St. Mary's Hospital Campus site adjoins the northwest edge of the UW-Milwaukee campus along Maryland and Hartford avenues. The site is 10.9 acres with 828,000 GSF of existing building space. Constructed between 1919 and 1993, the existing facilities include the East Wing, the West Wing, the Clinical Building, the Medical Arts Tower, the College of Nursing, the Energy Center (heating plant), and the Parking Structure. The five-level parking structure provides 788 parking spaces. In addition to the parking structure, the site includes approximately 174 surface parking spaces.

The recently completed UW-Milwaukee campus master plan includes an extensive space analysis which documents considerable deficits for both current and future enrollment. Due to these critical space deficits, the master plan recommends that these needs be met by adding space both at the existing Kenwood campus and at strategically located "opportunity sites" in the region. Columbia St. Mary's is identified as one of the key opportunity sites because it offers the ability to add contiguous space to the landlocked Kenwood campus.

Some of the uses currently under consideration for the property include student services; academic/instructional space needs in the health sciences and related programs; academic/instructional space needs in science, technology, engineering, and mathematics (STEM); and other campus space needs such as administrative functions, surge space to accommodate upcoming renovation projects to existing Kenwood campus buildings, etc. Following the acquisition, it is likely that required renovations for campus uses will be incremental and span many years.

Regent Drew asked if daycare would move to Columbia St. Mary's (CSM). Vice Chancellor Christy Brown stated that daycare would be moving and a committee had been formed to evaluate CSM facilities with respect to priority campus program needs and potential phasing of CSM reuse and/or renovation.

Regent Bartell asked if most programs will be moved by the end of the year, to which Brown answered that UW Milwaukee is excited to have this much needed space to move into and most programs would seek to move as soon as feasible.

Upon the motion of Regent Loftus and the second of Regent Drew 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 to purchase the Columbia St. Mary's Hospital Campus at a cost of \$20,155,000 (\$5,000,000 Existing General Fund Supported Borrowing, \$15,155,000 Program Revenue Supported Borrowing).

I.3.f. UW-Oshkosh: Authority to Adjust the Scope and Budget of the New Residence Hall Project

This item requested authority to increase the scope and budget of the New Residence Hall project by \$1,707,000 Program Revenue Supported Borrowing for a total revised project cost of \$33,207,000 Program Revenue Supported Borrowing.

This project has demolished three four-story walk-up residence halls (Breese, Nelson and Clemans) and will construct a five-story suite-style 340-bed, 164,352 GSF residence hall on a site that is located on the campus at the intersection of Algoma Boulevard and Elmwood Avenue.

The residence hall will house primarily sophomores and juniors and will provide space for five community advisors in an efficiency-suite plan, plus a three-bedroom hall director's apartment, and a two-bedroom visitor's apartment. There will be 46 suite-style units that contain four single-occupancy bedrooms and 39 suite-style units that contain two double-occupancy bedrooms. Both unit types will include common living rooms, kitchenettes, and dedicated bathroom facilities.

The five-story building was 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. According to the recent energy bundle analysis, the overall energy savings will be 49% below code for a more conventionally-designed building. In addition, the heat generated by the computer server equipment will be recovered by the heat pump system. The project has the goal of attaining a minimum of a US Green Building Council LEED® Gold Certification.

The project budget increase is due to the addition of three items to the project scope. The first is a geo-thermal system that will satisfy up to 75% of the heating and cooling loads and augment the district plant. The second item is the addition of a perimeter radiant in-slab

heating system that is expected to produce an annual energy savings of approximately \$106,000 with a payback of 20.1 years. The final item is the relocation of a server room for the Department of Residence Life.

Regent Davis inquired about the radiant heating savings payback. Director of Facilities Planning Kate Sullivan stated that a 20-year payback is the minimum standard for energy conservation projects including this type of chiller project. Senior Architect Maura Donnelly said there are plans to expand the chiller line to serve more buildings in the future and install in-floor radiant heat which lessens the volume of space to be heated.

Upon the motion of Regent Loftus and the second of Regent Davis the Committee unanimously approved Resolution I.3.f.

Resolution I.3.f.

That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to increase the scope and budget of the New Residence Hall project by \$1,707,000 Program Revenue Supported Borrowing for a total revised project cost of \$33,207,000 Program Revenue Supported Borrowing.

I.3.g. UW-Stout: Approval of the Design Report of the Memorial Student Center Renovation Project and Authority to Adjust the Budget and Construct the Project

This item requested approval of the Design Report of the Memorial Student Center Renovation project and authority to (a) increase the project scope and budget by \$1,000,000 Program Revenue Supported Borrowing – Facility Maintenance and Repair and (b) construct the project at an estimated total project cost of \$19,000,000 (\$18,000,000 Program Revenue Supported Borrowing and \$1,000,000 Program Revenue Supported Borrowing – Facility Maintenance and Repair).

The existing Memorial Student Center contains 61,570 ASF/100,292 GSF on three floors. The project will demolish 2,759 GSF of stairways and entrance spaces and add 7,530 GSF of space at new entrances and expanded mezzanines, resulting in a building of 69,258 ASF/105,063 GSF. The project includes remodeling that will relocate food service venues, student organizations, the student newspaper, student government functions, the bookstore, and the service center. It will also reconfigure and relocate meeting room space, add lounge space, create a central community gathering space, and provide better physical connection and circulation between the two floors. Both main entrances will be reconfigured and expanded and all the interior finishes of the remodeled areas will be updated. The project will upgrade the infrastructure of the entire building to include mechanical, HVAC, electrical, windows, plumbing, and telecommunications and life safety systems.

The scope and budget increase is due to the remodeling of the Great Hall and Ballrooms A, B, and C, which was not included in the original scope of project work. Because the infrastructure of those rooms would be replaced as part of this project, it made sense to also incorporate the remaining work into this project as well.

Assistant Vice Chancellor for student life services Phil Lyons spoke of this project being the front door to campus as well as an inviting building for students using the lounge space. Phil Rizzo from UW Stout Student Government spoke of how the students have contributed extensively to the design in collaboration with other committee members and consulting architects and engineers. In addition to approval of student segregated fees by a good level of student representation, students participation has extended to active engagement throughout the project.

Upon the motion of Regent Drew and the second of Regent Loftus the Committee approved Resolution I.3.g.

Resolution I.3.g.

That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, the Design Report of the Memorial Student Center Renovation project be approved and authority be granted to (a) increase the project scope and budget by \$1,000,000 Program Revenue Supported Borrowing – Facility Maintenance and Repair and (b) construct the project at an estimated total project cost of \$19,000,000 (\$18,000,000 Program Revenue Supported Borrowing and \$1,000,000 Program Revenue Supported Borrowing – Facility Maintenance and Repair).

I.3.h. UW-Superior: Authority to Adjust the Budget of the Rothwell Student Center Project

This item requested authority to increase the project budget of the Rothwell Student Center project by \$300,000 Program Revenue-Cash for an estimated total project cost of \$25,066,500 (\$208,000 General Fund Supported Borrowing–Jim Dan Hill Library, \$969,000 General Fund Supported Borrowing–New Academic Building, \$16,885,000 Program Revenue Supported Borrowing, \$2,892,500 Program Revenue-Cash, \$112,000 Agency Funds–Non GPR, and \$4,000,000 Gift and Grant Funds).

This request will add funding to the project from accumulated reserves to complete full construction of the parking lot as designed. This budget adjustment will not result in an increase to parking fees. The parking lot and entrance plaza for the newly constructed student union was previously-approved as an expansion of the Rothwell Student Center Replacement project which constructed an approximately 55,700 ASF/83,100 GSF replacement facility at a location adjacent to the existing site.

Construction estimates received for the parking lot component of the project were \$300,000 more than the budget. The need for parking on this part of campus is critical, so a reduction in the project scope or deferring a portion of work to a later time were not suitable options. The campus has committed adequate cash to fund the full scope of the parking project as designed.

Regents Davis and Manydeeds commented about the bids for this project came in higher when many projects' bids are coming in lower. UW Superior Director of Facilities Tom Fennessey commented that because this project has a parking lot that is replacing more parking spaces than previously thought, the estimates came in higher.

Upon the motion of Regent Loftus and the second of Regent Drew the Committee approved Resolution I.3.h.

Resolution I.3.h.

That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, authority be granted to increase the project budget of the Rothwell Student Center project by \$300,000 Program Revenue-Cash for an estimated total project cost of \$25,066,500 (\$208,000 General Fund Supported Borrowing–Jim Dan Hill Library, \$969,000 General Fund Supported Borrowing–New Academic Building, \$16,885,000 Program Revenue Supported Borrowing, \$2,892,500 Program Revenue-Cash, \$112,000 Agency Funds–Non GPR, and \$4,000,000 Gift and Grant Funds).

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

Director of Facilities Planning Kate Sullivan reported that the building commission approved about \$421M for projects at its June and August meetings. The funding breakdown for those projects is \$23M General Fund Supported Borrowing, \$393M Program Revenue Funds, and \$5M Gift Funds.

An informational memorandum from Associate Vice President David Miller was also presented to the committee as an update on the process underway to renew the 780 Regent Street lease. It stated that on August 11, 2010, the amendment of an existing lease was approved for approximately 46,419 RSF of office space housing UW System, UW Colleges, and UW Extension.

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

No additional items were presented to the Committee.

The meeting was adjourned at 1:57 p.m.