

Minutes
Capital Planning and Budget Committee
Thursday, February 4, 2010

Capital Planning and Budget Committee Chair Regent Bartell convened the meeting of the Capital Planning and Budget Committee at 12:31 p.m. in Room 1418 of Van Hise Hall on the UW-Madison campus. Committee members present were Regents Bartell, Drew, S. Davis, Loftus, and Opgenorth.

I.3.a. Approval of the Minutes of the December 10, 2009 Meeting of the Capital Planning and Budget Committee

Upon the motion of Regent Opgenorth and the second of Regent Davis, the minutes of the December 10, 2009 meeting of the Capital Planning and Budget Committee were approved as presented.

I.3.b. UW Colleges: UW-Sheboygan - Authority to Release Approximately 27.6 Acres to Assist a Sheboygan County River Dredging Project and Accept the Return of the Land After Project Completion

This item requested authority to temporarily release approximately 27.57 acres from UW-Sheboygan's lease back to Sheboygan County, for the purpose of completing a Superfund cleanup project of the Sheboygan River. Funding for this project will come from Sheboygan County and the project contractor. When the cleanup project and the land restoration of the parcel is completed, it will be returned to the university's lease.

Sheboygan County has requested this transfer. This request would temporarily remove a 27.57 acre parcel from the UW-Sheboygan lease, so that control of the parcel can be returned to Sheboygan County.

Sheboygan County is a leading partner in a Superfund project to remove polychlorinated biphenyl (PCB) contaminants from 14 miles of the Sheboygan River, the Sheboygan Harbor, and various floodplain locations along that path. PCB-containing dredge will be removed from these locations and transferred to a site where dewatering will occur. This location is an attractive location to temporarily stage a dewatering operation for this project due to its county ownership and its location as a mid-point along the 14-mile stretch of river.

The project also provides a very unique educational opportunity for UW-Sheboygan faculty and students to study and participate in an environmental cleanup project of this magnitude. Individuals from UW-Sheboygan, Sheboygan County, UW Colleges, UW System, and the contractor will work together to provide the educational opportunities, and ensure that the interests of UW-Sheboygan and the Board of Regents are met.

UW-Sheboygan Campus Dean and CEO Al Hardersen was present and discussed the partnership with Sheboygan County. Regent Bartell asked whether students would have an educational benefit from this project. Dean Hardersen said that academic programs in the sciences would participate in and benefit from the project. Regent Bartell asked whether the site would be certified as clean property before being transferred back into the Board of

Regents' lease. Associate Vice President Miller said that a full environmental certification was part of the project and would be completed prior to accepting the land.

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

Resolution I.3.b.

That, upon the recommendation of the UW Colleges Chancellor and the President of the University of Wisconsin System, authority be granted to temporarily release approximately 27.57 acres from UW-Sheboygan's lease back to Sheboygan County, for the purpose of completing a Superfund cleanup project of the Sheboygan River.

I.3.c. UW Colleges: UW-Richland - Authority to Amend the Lease Agreement to Include an Additional 1.4 Acre Parcel of Land and Improvements

This item requested authority to amend the lease agreement with Richland County to add approximately 1.44 acres and building improvements.

This acreage, which is adjacent to the campus, and a 4,400 GSF single-story building would become a permanent addition to the UW-Richland lease between the Board of Regents and Richland County.

This property, which was originally part of the campus was released to Richland County in 1976 so it could construct the Public Health Department building on that site. In 2009, Richland County acquired other space for the health department in downtown Richland.

UW-Richland needs additional building space to serve growing enrollments. The Art Department and Richland County UW Cooperative Extension, which are currently located on the main campus, will be relocated to the newly-acquired building. Richland County has funded approximately \$100,000 worth of building upgrades to prepare the building for a new use, including roof and window replacements, restroom renovations, remodeling, and building system upgrades. UW-Richland is currently developing a request for funding moveable equipment and furnishings through the State Building Commission for the newly-acquired building.

Upon the motion of Regent Loftus and the second of Regent Opgenorth the Committee approved Resolution I.3.c.

Resolution I.3.c.

That, upon the recommendation of the UW Colleges Chancellor and the President of the University of Wisconsin System, authority be granted to amend the lease agreement with Richland County to add approximately 1.44 acres and building improvements.

I.3.d. UW-Madison: Authority to Seek a Waiver of s. 16.855, Wis. Stats., to Allow Selection Through a Request for Proposal Process of a Construction Manager-at-Risk for the Wisconsin Institutes for Medical Research Project

This item requested authority to waive s.16.855, Wis. Stats., under the provisions of s. 13.48(19), Wis. Stats., to allow selection, through a Request for Proposal (RFP) process, of a construction manager-at-risk for construction of the Wisconsin Institutes for Medical Research (WIMR) project, at a estimated budget of \$134,800,000 (\$67,400,000 General Fund Supported Borrowing [advance enumerated for release July 2011] and \$67,400,000 Gifts/Grant Funds).

This facility is the completion of the second tower of the Wisconsin Institutes for Medical Research. The first phase completed was the original Interdisciplinary Research Complex which consists of five floors of wet laboratory space and two floors of imaging research facilities. The base floors for the second tower, which were also constructed during the first phase, will be the structural base for an additional seven floors of wet laboratory space to be constructed in phase two.

This project will construct approximately 266,000 GSF to house the following programs and centers:

- McPherson Eye Research Institute
- Neuroscience Research Center
- The University of Wisconsin Carbone Cancer Center
- Regenerative Surgery
- Cardiovascular Research Center
- Primate Vivarium expansion

The university will seek authority to construct the project upon final determination of the budget through the design process and successful fundraising to meet the identified project scope.

A construction manager-at-risk is requested for this project because the design and construction of this tower will require an unusual amount of planning and coordination. In addition, the proposed facility will be highly specialized and contain advanced technology, requiring a unique set of construction resources and knowledge. Most of its spaces will contain elaborate building systems that will require flexible spaces to easily accommodate future changes. Additionally, due to the anticipated National Institutes of Health (NIH) grant funding, a US Green Building Council Leadership in Energy and Environmental Design (USGBC LEED) certification is a design and construction requirement. Contractor expertise throughout the design process will allow these issues to be addressed. As the project moves into construction, the extent of a contractor's understanding of this project will allow for better coordination and will expedite construction.

Finally, the building site, which is located at a densely built and heavily utilized part of campus, must provide a staging area for this construction project and accommodations must be made to avoid disruptions to parking, traffic (both vehicular and pedestrian from adjacent parking lots), and ongoing operations such as animal transportation and package deliveries to the WIMR loading dock.

Regent Loftus asked which type of LEED certification the UW System strives to achieve. Mr. Miller answered that LEED Silver certification is the most common objective and that current state standards are written to conform to LEED Silver. Regent Davis abstained from voting due to a conflict.

Upon the motion of Regent Loftus and the second of Regent Opgenorth the Committee 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 waive s. 16.855, Wis. Stats., under the provisions of s. 13.48(19), Wis. Stats., to allow selection, through a Request for Proposal (RFP) process, of a Construction Manager-at-Risk for construction of the Wisconsin Institutes for Medical Research (WIMR) project, at a estimated budget of \$134,800,000 (\$67,400,000 General Fund Supported Borrowing [advance enumerated for release July 2011] and \$67,400,000 Gifts/Grant Funds).

I.3.e. UW-Madison: Authority to Adjust the Scope and Budget of the Sterling Hall Renovation Project to Construct a Plasma Dynamo Facility and to Seek a Waiver of s. 16.855, Wis. Stats., under Provisions of s. 13.48(19), Wis. Stats., to Allow Single-Prime Bidding

This item requested authority to (a) increase the scope and budget of the Sterling Hall Renovation project by \$1,246,000 Gift Funds and (b) seek a waiver of s. 16.855, Wis. Stats., under the provisions of s. 13.48(19), Wis. Stats., to allow single-prime bidding for the Plasma Dynamo Facility, for an estimated total cost of \$18,872,500 (\$16,500,000 General Fund Supported Borrowing, \$1,000,000 General Fund Supported Borrowing – All Agency UW Infrastructure, and \$1,372,500 Gift Funds).

UW-Madison researchers were recently awarded a \$2,400,000 grant from the National Science Foundation to test properties of plasma gas and magnetic fields, and explore the self-generation of magnetic fields. This project will construct a Plasma Dynamo Facility that will be used for research of magnetic fields. The lab will be constructed within existing space in the 1917 wing of Sterling Hall by removing a 21' by 24' section of floor structure between the basement and first floors to create a two-story space to house the plasma dynamo device and a power vault.

The plasma dynamo and its related equipment will require a large amount of power and cooling. Upsizing the unit substation in the current Sterling Hall project from 500 KVA to 1000 KVA will meet the electrical need. Cooling will be provided by construction of a new chilled water line from the room to the campus chilled water line in Charter Street.

Although the Plasma Dynamo portion of work will be competitively bid, a waiver is requested in order to use single-prime bidding. The existing project is currently being constructed using five multiple prime contracts. Having as many as five additional contracts to administer would greatly complicate the coordination of the smaller Plasma Dynamo project with the main project and increase administrative costs. Single-prime bidding will simplify coordination between the two portions of work by adding only one additional contracting source.

Cary Forest, professor of engineering physics and Associate Vice Chancellor Alan Fish displayed renderings of the project. Regent Bartell asked if this was the only one of its kind, to which Forest answered that it is at this point the first in the world. Professor described the type of research the project would facilitate. Regent Davis abstained from voting due to a conflict.

Upon the motion of Regent Loftus and the second of Regent Opgenorth the Committee approved Resolution I.3.e.

Resolution I.3.e.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to (a) increase the scope and budget of the Sterling Hall Renovation project by \$1,246,000 Gift Funds and (b) seek a waiver of s. 16.855, Wis. Stats., under the provisions of s. 13.48(19), Wis. Stats., to allow single-prime bidding for the Plasma Dynamo Facility, for an estimated total cost of \$18,872,500 (\$16,500,000 General Fund Supported Borrowing, \$1,000,000 General Fund Supported Borrowing – All Agency UW Infrastructure, and \$1,372,500 Gift Funds).

I.3.f. UW-Oshkosh: Approval of the Design Report of the Residence Hall Project and Authority to Construct the Project

This item requested approval of the Design Report of the UW-Oshkosh Residence Hall project and authority to construct the project at a total estimated cost of \$31,500,000 Program Revenue Supported Borrowing.

This project will demolish three residence halls (Breese, Nelson, and Clemans halls) and construct a 5-story suite style structure at a site that is located at the intersection of Algoma Boulevard and Elmwood Avenue. The 340 bed, 164,352 GSF residence hall will house primarily sophomores and juniors. It will have five efficiency units to house community advisors, a three bedroom apartment for a hall director, and a two bedroom visitor apartment. There will be 46 suite style units that have four single occupancy bedrooms and 39 suite style units all of which have two double occupancy bedrooms. Both unit types will include a common living room, a kitchenette, and dedicated bathroom facilities.

The 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. A project goal is to obtain a minimum of a US Green Building Council Leadership in Energy and Environmental Design (LEED) Gold Certification.

The original scope of the project included a chiller within the new building as well as additional space to add future chillers to serve expanded program revenue chilling needs in the future. However, it was determined that the existing chiller plant would provide adequate chilled water capacity to serve the needs of this new residence hall, therefore, the chiller and associated chiller space was eliminated. A chilled water line will be extended from Reeve Union as part of this project. The removal of the chiller and its associated space resulted in a project budget reduction.

Regent Davis asked if a green roof was planned, to which Maura Donnelly, UW System Senior Architect answered that part of the roof is planned to be a green roof. Regent Loftus inquired as to the funding for demolition for the existing halls. Mr. Miller stated program

revenue funds derived from housing operations would also fund the demolition. Regent Loftus asked about the impact on room rates for students living in the suites and other campus housing. Mr. Miller reported that annual rates for the new suites are estimated to be \$3,800 per year, compared to the existing rate for a non-improved double occupancy room of \$2,500.

Upon the motion of Regent Loftus and the second of Regent Opgenorth the Committee 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, the Design Report of the UW-Oshkosh Residence Hall project be approved and authority be granted to construct the project at a total estimated cost of \$31,500,000 Program Revenue Supported Borrowing.

I.3.g. UW-Whitewater: Approval of the Design Report of the Fisher and Wellers Halls Renovation Project and Authority to Adjust the Budget and Construct the Project

This item requested approval of the Design Report of the Fischer and Wellers Halls Renovation project and authority to (a) increase the budget by \$1,921,000 Program Revenue-Cash and (b) construct the project at a total cost of \$10,505,000 (\$8,584,000 Program Revenue Supported Borrowing and \$1,921,000 Program Revenue-Cash).

The UW-Whitewater Department of Residence Life, which maintains twelve 1960s era on-campus student residence halls, developed a long range plan that calls for their renovation until all those facilities have been renewed. This project will renovate the first two buildings of that plan.

Fischer Hall (24,492 ASF/41,825 GSF) and Wellers Hall (33,850 ASF/53,122 GSF) are both 4-story plus basement facilities that were constructed in the 1960s. The project will construct building additions totaling 4,831 GSF. External shaft elevators will be added to each building. Fischer Hall will include two additions, the first of which will provide an expanded bathroom. The lower level of this addition will contain mechanical space for the heat recovery of the bathroom exhaust. The second addition will provide a new entry and elevator. The project will provide Wellers Hall with an elevator and entry addition. The lower level of that hall will receive minor remodeling to create a more efficient use of available space. Renovation work in both buildings will improve existing rooms, renew building finishes, and enlarge and reconfigure bathrooms. It will replace the mechanical, electrical, and plumbing systems; windows; and exterior doors.

The budget increase for this project is due to three factors. The project originally requested the removal of 16 beds to facilitate an expansion of the Fischer Hall bathrooms. A design change included an addition beyond the original building footprint to accommodate the bathroom expansions. This addition will allow the residence life program to keep the 16 beds and the future revenue they will produce. The project will incorporate energy conservation measures such as the addition of space to the lower level of the bathrooms to house a heat recovery system for the bathroom exhaust. A Wisconsin Asbestos and Lead Abatement Management System (WALMS) survey, which was completed during the design phase, required an increase

from \$100,000 to \$250,000 in the project budget to provide for the removal of hazardous materials.

Regent Opgenorth asked what the fee impact will be for students living in the residence halls. Vice Chancellor Randy Marnocha replied that the housing master plan calls for renovating 12 halls over 12 years. Starting in 2011-12, it is anticipated that all room rates will increase from approximately 3.00% to 6.00% each year for 12 successive years to fund the full residence hall renovation program.

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

Resolution I.3.g.

That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, the Design Report of the Fischer and Wellers Halls Renovation project be approved and authority be granted to (a) increase the budget by \$1,921,000 Program Revenue-Cash and (b) construct the project at a total cost of \$10,505,000 (\$8,584,000 Program Revenue Supported Borrowing and \$1,921,000 Program Revenue-Cash).

I.3.h. UW-Whitewater: Authority to seek a waiver of s. 16.855, Wis. Stats., to Allow for a Request for Proposal (RFP) process and Construct the Hyland Hall Solar Photovoltaic System Project

This item requested authority to seek a waiver of s. 16.855 Wis. Stats., to enable the Division of State Facilities (DSF) to use the Request for Proposal (RFP) process for a Hyland Hall Solar Photovoltaic System Project and authority to construct the project for a total cost of \$296,200 (\$150,000 Grant Funds and \$146,200 Institutional Funds).

This project will install a 30 kW photovoltaic (PV) array on the roof of Hyland Hall and connects it to the building electrical distribution system. Project work will include the purchase of equipment and a PV panel support structure, the installation of panels and ancillary equipment, the connection of electrical wiring, and the sealing of roof penetrations to satisfy the roof system warranty.

In April 2009, a solar site assessment indicated that a 1,200 square foot array could generate approximately 37,900 kilowatt-hours per year. An energy dashboard will be used to highlight university sustainability efforts and raise public awareness about energy conservation. This project supports the university's efforts to become more sustainable and environmentally conscious in regard to instruction and operations.

Implementation of this project will result in an anticipated annual energy cost savings of approximately \$4,361 with a simple payback of the university's investment in about 28 years. This assumes that the project cost will be reduced by two grants - a Focus on Energy grant of \$50,000 and a WE Energies Grant of \$100,000 - and that the contingency funding will not be used.

Mr. Miller submitted a revised motion withdrawing the portion requesting a waiver. Upon further review, the Department of Administration determined that a waiver would not be necessary.

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

Revised Resolution I.3.h.

That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Hyland Hall Solar Photovoltaic System Project for a total cost of \$296,200 (\$150,000 Grant Funds and \$146,200 Institutional Funds).

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

This item requested authority to construct various maintenance and repair projects at an estimated total cost of \$4,440,000 (\$1,530,500 General Fund Supported Borrowing; \$364,500 Program Revenue Supported Borrowing; \$535,000 Gifts and Grants; and \$2,010,000 Program Revenue-Cash).

Facilities Maintenance and Repair Requests

GBY - University Village Apartments Roof Replacement (\$306,800): This project will replace 72,000 SF of roof coverings and completes all other associated ancillary work to maintain the building envelope integrity and prevent damage to the eight student residential housing units - University Village Apartment units 101 through 108.

MSN - Adams Hall/Tripp Hall HVAC System/Floor Tile Replacement (\$345,000 increase for a total project cost of \$2,956,000): This request increases the project budget to match recent bid results related to the cost of the HVAC controls.

MSN - Helen C. White Library Concrete Membrane Replacement (\$289,500 increase for a total project cost of \$513,800): This project will complete the structural repairs and the recoating of the traffic membrane on a 9-inch concrete two-way parking slab for the north half of the parking ramp, which is located below Helen C. White Hall. It will repair isolated spalled areas in the structural slab and at column bases that are caused by the corrosion of the reinforcing steel, the isolated delamination of the topping slab, and the underside of the lower level slab.

STP - DeBot Dining Center Roof Replacement (\$364,500): This project replaces roof coverings and completes all other associated ancillary work to maintain the building envelope integrity and prevent damage to the building and contents

Programmatic Remodeling and Renovation

MIL - Great Lakes Research Facility SBA/USDA Laboratory Remodeling (\$535,000): This project remodels approximately 1,645 SF of underutilized laboratory suite space to expand the partnerships with the Small Business Administration (SBA) and United States Department of Agriculture (USDA). Project work includes converting Laboratory 144 and Storage Room

179J into new, shared laboratory space through various interior infrastructure renovations and finish upgrades.

Utilities Repair and Renovation Requests

GBY - Lab Sciences/Wood Hall Parking Lot Improvements (\$650,000): This project will redesign and reconstruct two asphalt parking lots, which total 10.9 acres and contain 1,183 parking stalls. Project work will provide routine maintenance, improve storm water management, and improve vehicular circulation.

MSN - Pits 120/10 to 121/10 Campus Drive Utility Renovation (\$1,694,000): This project will replace the campus central steam and condensate piping and installs new central chilled water and compressed air piping under Campus Drive that serves the 1500 block of University Avenue.

PKS - Heating & Chilling Plant Safety Improvements (\$255,200): This project will improve safety conditions at the loading dock/material handling area, main plant floor, and mezzanine deck level in the Heating & Chilling Plant.

Regent Davis asked for an explanation of the increase for Adams Hall at UW-Madison. Fish explained that the original bid design left out the individual heating controls, thus the need for this project increase.

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

Revised Resolution I.3.i.

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to authority be granted to construct various maintenance and repair projects at an estimated total cost of \$4,440,000 (\$1,530,500 General Fund Supported Borrowing; \$364,500 Program Revenue Supported Borrowing; \$535,000 Gifts and Grants; and \$2,010,000 Program Revenue-Cash).

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

Associate Vice President David Miller reported that the Building Commission approved approximately \$46M for projects at its December 2009 and January 2010 meetings. The funding breakdown for those projects is \$31M General Fund Supported Borrowing, \$13M Program Revenue Funds, and \$2M Gift/Grant Funds.

Mr. Miller updated the committee on the status of project delivery legislation and the legislation to enumerate projects for UW-Whitewater and UW-Milwaukee. Miller also provided the committee with a preview of committee business for future months.

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

No additional items were presented to the Committee.

I.3.1. Closed session for purposes of considering personal histories, as permitted by s.19.85(1)(f), Wis. Stats., related to the naming of a facility at UW-Whitewater

Upon the motion of Regent Davis and the second of Regent Ogenorth the Capital Planning and Budget Committee adjourned to closed session at 1:38 p.m. Regents Bartell, Bartell, Drew, S. Davis, Loftus, and Ogenorth were present.

The closed session concluded at 2:10 p.m., at which time the meeting was adjourned.