

Minutes
Capital Planning and Budget Committee
Thursday, February 6, 2014

The meeting of the Capital Planning and Budget Committee was called to order at 9:05 a.m. by Committee Chair Regent Edmund Manydeeds, in Varsity Hall I of Union South, on the UW-Madison campus. Regents Regina Millner, Chad Landes, Janice Mueller, Gary Roberts, and David Walsh were in attendance. Regent John Behling joined the meeting after roll call. Regents Tony Evers and José Vasquez were absent.

I.3.a. Approval of the Minutes of the December 5, 2013 Meeting of the Capital Planning and Budget Committee

After receipt of a motion and second, the minutes of the December 5, 2013, meeting of the Capital Planning and Budget Committee were approved as presented.

I.3.b. UW-Madison Presentation: Progress Report – 2005 Campus Master Plan and Recreational Sports Facilities Master Plan

The Committee heard a report updating the committee on the progress of the 2005 Campus Master Plan and an overview of the Recreational Sports Facilities Master Plan. Associate Vice Chancellor Bill Elvey reviewed the goals of the 2005 Campus Master Plan and stated that approximately 35% of the plan's major project recommendations have either been completed or are now in development. He indicated that the next master plan update is scheduled for 2014-15.

The presentation then focused on information about recreational sports facilities including the South East Recreational Facility (SERF), the Natatorium, the Nielsen Tennis Stadium, and outdoor recreational fields. Director of Recreational Sports John Horn described details of the upcoming March referendum when UW-Madison students will vote to support an estimated \$223 million renovation and expansion projects for the SERF, Natatorium, Near East, and Near West Fields. (Private funding will be sought for the Nielsen Tennis Stadium and University Bay projects.)

Regent Walsh asked if any alternate strategies were considered for funding the sports facilities other than the use of segregated fees. The Committee was informed that alternative funding sources, such as gifts and athletic program revenue, will account for a minimum of 43% of the project and that, at the request of students, Recreation Sports has kept the students' funding proportion to less than 60% of the total project amount. (Segregated fees will account for 57% of the total cost.)

I.3.c. UW Colleges: Report on City and County Financial Support

Jason Beier, UW Colleges/UW-Extension Interim Vice Chancellor for Administration and Finance, presented a report on city and county financial support of the UW Colleges and stated that seventeen local government partnerships provided about \$11.3M to UW Colleges in 2013.

I.3.d. UW-Madison: Approval of the Design Report of the Memorial Union Renovation–Phase II, Alumni Park Project and Authority to Increase the Budget and Construct the Project

This item requests a budget increase of \$4,500,000 Gift Funds for a revised estimated total cost of \$54,585,000 (\$38,000,000 Gift Funds, \$9,000,000 Program Revenue Supported Borrowing, and \$7,585,000 Program Revenue-Cash).

This project is the second and final phase of a program to improve the functionality, circulation, life safety, and service functions of Memorial Union and a majority of the work will improve infrastructure elements. A 12,763 GSF underground loading dock will be constructed to support operations for the Memorial Union, the Red Gym and the Pyle Center and construction of Alumni Park will provide outdoor green space gathering areas.

The additional gift funding will allow for the renovation of the Rathskeller, servery, meeting rooms, and infrastructure components. The increase will also provide for a specialized soil retention system required for construction of the below-grade loading facility. Committee discussion confirmed that there are no segregated fees involved in this portion of the project and that this phase is entirely funded with gift funding and program revenue.

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

Resolution I.3.d.

That, upon the recommendation of the UW-Madison Chancellor and the Interim President of the University of Wisconsin System, the Design Report of Memorial Union Renovation-Phase II/Alumni Park project be approved and authority be granted to increase the project budget by \$4,500,000 Gift Funds and construct the project for a revised estimated total cost of \$54,585,000 (\$38,000,000 Gift Funds, \$9,000,000 Program Revenue Supported Borrowing, and \$7,585,000 Program Revenue-Cash).

I.3.e. UW-Madison: Approval to Convey Title of Land Parcels to University Research Park for the Purpose of Development

This item requested approval to convey the title of specific land parcels at this time as the lots on those parcels are now ready for development.

Upon the motion of Regent Landes, and the second of Regent Roberts, the Committee approved Resolution I.3.e. on a voice vote, with Regent David Walsh abstaining, and no votes in opposition.

Resolution I.3.e.

That, upon the recommendation of the UW-Madison Chancellor and the Interim President of the University of Wisconsin System, approval be granted to convey to University Research Park, Inc. over time and upon their request: (1) title of land parcels in University Research Park-Pioneer Plat, except for portions of Outlot 6, Lots 28, 29, and 31, and Lots 26 and 27, which are not part of 113 acres acquired in 2001, to University Research Park Inc. and (2) title of land parcels in University Research Park–Pioneer Addition Plat.

I.3.f. UW-Madison: Authority to Construct the Camp Randall Stadium Information Technology Infrastructure Upgrade Project

This project has an estimated total cost of \$4,988,000 (\$3,973,500 Program Revenue Supported Borrowing–Utility Repair and Renovation and \$1,014,500 Program Revenue-Cash) and will provide the structured cabling and power infrastructure necessary to support full Wi-Fi and video screen deployment throughout the fan areas of Camp Randall Stadium.

Vice Chancellor for Facilities Planning and Management Bill Elvey and Associate Athletic Director Jason King explained to the Committee how this upgrade will significantly increase wireless reception and improve a fan’s in-stadium experience with mobile technology, which is a growing trend in response to user demand.

Regent Walsh asked if the department had a business plan for the advertising revenue that would likely be generated, suggesting that such a plan would be a great benefit to the department. Discussion topics ranged from whether other Big Ten institutions offer a similar fan experience and what sort of advertisement revenue opportunities will result from this upgrade.

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

Resolution I.3.f.

That, upon the recommendation of the UW-Madison Chancellor and the Interim President of the University of Wisconsin System, authority be granted authority be granted to construct the Camp Randall Stadium Information Technology Infrastructure Upgrade at an estimated total cost of \$4,988,000 (\$3,973,500 Program Revenue Supported Borrowing–Utility Repair and Renovation and \$1,014,500 Program Revenue-Cash).

I.3.g. UW-Madison: Approval of Reimbursement to the City of Madison, Wisconsin, for Assessable Improvements

This item requested approval to pay a City of Madison municipal assessment for street and utility improvements on the 700 to 800 blocks of State Street and the immediately surrounding areas. The Board of Regents-owned parcels to be assessed are Bascom Hill, Humanities Building, and the Library Mall/Memorial Library.

Upon the motion of Regent Landes, and the second of Regent Mueller, the Committee approved Resolution I.3.g.

Resolution I.3.g.

That, upon the recommendation of the UW-Madison Chancellor and the Interim President of the University of Wisconsin System, the approval be granted to pay a City of Madison municipal assessment of \$487,800 (\$356,100 General Fund Supported Borrowing – Utilities Repair and Renovation and \$131,700 Program Revenue-Cash) for street and utility improvements on the 700-800 blocks of State Street and the immediately surrounding areas.

I.3.h. **UW-Oshkosh: Approval to Accept a Gift-in-Kind of a New Alumni Welcome and Conference Center**

This item requested approval of a gift-in-kind from the UW-Oshkosh Foundation of a 38,099 GSF new conference and welcome center, valued at approximately \$12,400,000 for the UW-Oshkosh campus to replace functions of the River Center, which was rendered unusable after a flooding incident in June 2008. Several outreach functions including the UW-Oshkosh Foundation, Alumni Affairs, Business Success Center, Conference and Event Services, and a satellite facility for the Admissions Office will be relocated to this new building. All costs of the project will be funded by gifts to the UW-Oshkosh Foundation as well as by Program Revenue-Cash.

UW-Oshkosh Foundation Chairman Timothy Mulloy spoke to the Committee about the project and mentioned that it is the largest gift ever given by the Foundation of a UW System comprehensive institution.

Upon the motion of Regent Roberts, and the second of Regent Landes, the Committee approved Resolution I.3.h.

Revised Resolution I.3.h.

That, upon the recommendation of the UW-Oshkosh Chancellor and the Interim President of the University of Wisconsin System, the approval be granted to expand the campus boundary and accept a gift-in-kind from the UW-Oshkosh Foundation of a new Alumni Welcome and Conference Center valued at approximately \$12,400,000.

I.3.i. **UW-Whitewater: Approval of the Design Report and Authority to Construct the Laurentide Student Success Center Project**

This item requested authority to construct a three-story 11,824 ASF/18,390 GSF addition to the recently remodeled Laurentide Hall to house Campus Tutorial Services. The design includes new entrances, an elevator, additional stairways, restrooms, and a stand-alone heating and cooling system.

Associate Vice President Alex Roe spoke about the project and reminded the Committee that \$2M of this project's funding project comes from residual bonding.

Upon the motion of Regent Landes, and the second of Regent Behling, the Committee approved Resolution I.3.i.

Resolution I.3.i.

That, upon the recommendation of the UW-Whitewater Chancellor and the Interim President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct the Laurentide Hall Student Success Center Addition project for an estimated total cost of \$4,500,000 General Fund Supported Borrowing.

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

This item requested approval of two All Agency Maintenance and Repair projects that will upgrade utilities and improve the safety of electrical equipment at UW-Madison.

Upon the motion of Regent Landes, and the second of Regent Roberts, the Committee approved Resolution I.3.j.

Resolution I.3.j.

That, upon the recommendation of the Interim President of the University of Wisconsin System, authority be granted to construct maintenance and repair projects at an estimated total cost of \$3,711,800 (\$1,081,300 General Fund Supported Borrowing and \$2,630,500 Program Revenue- Cash).

I.3.k UW-Madison: Approval of the Design Report of the Hospital Ramp Expansion Project and Authority to Increase the Budget and Construct the Project

This item requested authority to construct a horizontal expansion to the existing 1,410 stall UW Hospital Patient and Visitor Ramp at 610 Highland Avenue on the UW-Madison campus to add 780 parking stalls with additions to the south and east. The initial project budget, developed in early 2010, was based on average historical unit costs for parking structure construction. The current budget is based upon a detailed estimate derived from actual project design documents and the various construction phases and mitigation activities necessary to ensure constant occupancy of the ramp during construction.

Regents Millner and Mueller asked for clarification as to whether it would be a conflict of interest for them to vote on this item since they are members of the Hospital Authority Board. It was explained that UW-Madison will own and operate this ramp and is a separate entity from the UW Hospital Authority, therefore there is no conflict.

Upon the motion of Regent Mueller, and the second of Regent Millner, the Committee approved Resolution I.3.k.

Resolution I.3.k.

That, upon the recommendation of the UW-Madison Chancellor and the Interim President of the University of Wisconsin System, the Design Report of the Hospital Ramp Expansion project be approved and authority be granted to increase the project budget by \$7,867,000 Program Revenue-Cash and construct the project for a revised estimated total cost of \$34,120,000 (\$25,753,000 Program Revenue Supported Borrowing and \$8,367,000 Program Revenue-Cash).

I.3.1 UW-La Crosse: Authority to Purchase a Parcel of Land and Improvements Known as the Fairgrounds Substation and Construct the Campus 5kV Switchgear Replacement Project

The project will purchase the property, remove the substation's antiquated equipment and replace it with state-owned 15kV service switchgear, two 7,500 kVA transformers, and two capacitor banks.

Upon the motion of Regent Roberts, and the second of Regent Landes, the Committee approved Resolution I.3.1.

Resolution I.3.1.

That, upon the recommendation of the UW-La Crosse Chancellor and the Interim President of the University of Wisconsin System, authority be granted to purchase an approximately 0.19 acre parcel of land and improvements, known as the Fairgrounds Substation, for \$30,000 General Fund Supported Borrowing-Land Acquisition and construct a Campus 5kV Switchgear Replacement project for an estimated total cost of \$4,530,000 (\$2,491,500 GFSB Utility Repair and Renovation, and \$2,038,500 PRSB.)

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

Associate Vice President Alex Roe announced that the building commission considered and approved the following items at its December meeting, both of which were previously approved by the Board: (1) UW-La Crosse: construction authority for the New Student Center project and (2) the release of planning funds for LAC Science Labs Building and the STP Chemistry-Biology Building projects. The commission decreased the amount of Building Trust Funds-Planning for these two projects by \$200,000 and increased the agency cash required by that same amount. The commission also approved four all agency maintenance and repair projects totaling approximately \$2.8M – three at UW-Madison and one at UW-Stevens Point. Ms. Roe added that there were no UW System items on the Building Commission meeting agenda in January.

Ms. Roe informed the Committee that there has been a delay in getting projects bid in a timely manner and that the full impact of the delayed bids is not yet clear. She reminded the Committee of the changes, required by 2013 Wisconsin Act 20, that went into effect on January 1st of this year, two of which are: a new bidding and contracting processes and a mandatory pre-bid contractor certification program.

The meeting adjourned at 10:16 a.m.