

**Minutes**  
**Capital Planning and Budget Committee**  
**Thursday, September 9, 2015**

The meeting of the Capital Planning and Budget Committee was called to order at 9:03 a.m. by Committee Chair Regent Edmund Manydeeds in Room UC 259 of the James R. Connor University Center on the UW-Whitewater campus. Regents José Delgado, Tony Evers, and James Langnes were in attendance. Regent José Vásquez was unable to attend.

**I.3.a. Approval of the Minutes of the June 4, 2015, and the July 9, 2015, meetings of the Capital Planning and Budget Committee**

After receipt of a motion and second, the minutes of the June 4, 2015, and the July 9, 2015, meetings of the Capital Planning and Budget Committee were approved as presented.

**I.3.b. UW-Whitewater Presentation: ‘Building Student Success - The UW-Whitewater Comprehensive Master Plan’**

The committee viewed a UW-Whitewater presentation concerning the UW-Whitewater Comprehensive Master Plan given by Vice Chancellor for Administrative Affairs Jeff Arnold.

Mr. Arnold began by describing projects that had been constructed since the last master plan, which was completed in 1994. He spoke of space assessments and needs analyses that were recently completed and presented a list of potential projects that are proposed as short term (2015-20), mid-term (2021–2026), and long term (2027-32) considerations, however, Mr. Arnold added that a recent change in the fiscal climate produced a decrease in available funding, and the advancement of those projects may become delayed.

Regent Delgado asked if the student population growth at UW-Whitewater comes from other institutions and Mr. Arnold responded that the high school graduation rates have grown in the seven counties that surround the university and more than 80% of their students come from less than 80 miles away.

Regent Langnes asked if all the students who were denied housing went to other universities or didn't attend UW-Whitewater. Mr. Arnold stated that the university didn't have that information. An employee from the Registrar's Office said that he heard (anecdotally) that 25 students stated that they would not attend UW-Whitewater due to the lack of housing.

Regent Delgado suggested that we evaluate campus capacity and if that is problematic, perhaps they could be accommodated at another institution.

Regent Langnes inquired about parking capacity as he has experienced challenges finding parking. Vice chancellor Arnold indicated that the study indicated there is sufficient parking.

**I.3.c. UW-Madison: Approval of the Design Report and Authority to Construct the Veterinary Medical Clinical Skills Laboratory Renovation Project**

This item requested approval to construct the \$1.6M gift-funded Veterinary Medical Clinical Skills Laboratory Renovation project that will remove inefficient and outdated solar panels, associated

ductwork, and the existing roofing system to create a new 52-student clinical skills lab, a 96-seat active learning classroom, and enlarged study space.

Ms. Roe gave a brief overview stating that the solar panels, which were installed in 1983, were dysfunctional by 1985 and that this renovation project will convert the space into an animal prosthetics lab, classroom and storage. Associate Vice Chancellor Bill Elvey added that the project repurposes existing unused space.

Upon the motion of Regent Delgado, and the second of Regent Langnes, 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 School of Veterinary Medicine Clinical Skills Lab Renovation project at a total project cost of \$1,620,000 Gift Funds.

**I.3.d UW-Milwaukee: Approval to Enter Into Agreements to Support the Peck School of the Arts and Student Housing as a Result of New Leasing Authority**

This item requested approval to enter into agreements to support the Peck School of the Arts and student housing as a result of new leasing authority. 2015 Wisconsin ACT 55 gave responsibility to the Board of Regents for all student housing leases already in place as of July 14, 2015, regardless of any subsequent extension, modification, or renewal. Therefore, the Board of Regents may renegotiate the terms of existing Department of Administration (DOA) operating lease agreement as opposed to requesting that DOA enter into a renewed and modified operating lease on behalf of UW-Milwaukee.

Ms. Roe briefly described this request by saying that the universities no longer need SBC approval to enter into lease agreements, with the exception of those for student housing.

Upon the motion of Regent Manydeeds, and the second of Regent Delgado, the Committee approved Resolution I.3.d.

Resolution I.3.d.

That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, the Board of Regents: (1) approves the modification and renewal of ground and operating leases for approximately 456,000 gross square feet at the Kenilworth Square student housing and Peck School of Arts facility on behalf of UW-Milwaukee; and (2) assigns the right to purchase in the operating lease to the UWM Real Estate Foundation.

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

This item requested approval of eight All Agency Maintenance and Repair projects totaling \$16M, three at UW-Madison, two at UW-Green Bay and one each at UW-Milwaukee, UW-Stevens Point,

and UW-Whitewater. These projects focus on facility maintenance, utility renovation, programmatic space remodeling, health and safety upgrades, and energy conservation.

Ms. Roe briefly commented on details of each project's scope. Regent Delgado asked if the institutions were keeping up with the facility maintenance of UW System's 62 million square feet of space. Ms. Roe described what percentage of that space was built from 1950 to 1970 and added that those older facilities were not energy efficient. Regent Delgado continued by asking if UW System is more inclined to repair or demolish outdated space and Ms. Roe answered that it depended on the results of a cost-benefit analysis done of the proposed renovation.

Upon the motion of Regent Delgado, and the second of Regent Evers, the Committee approved Resolution I.3.e.

Resolution I.3.e.

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$15,910,200 (\$2,637,100 General Fund Supported Borrowing; \$10,496,200 Program Revenue Supported Borrowing; \$637,600 Gifts and Grants; and \$2,139,300 Agency Cash).

**I.3.f. UW System: Capital Project Strategies**

The Committee discussed strategies for capital projects to address the two new authorities of leasing and gift/grant-funded projects that were provided in the 2015 Wisconsin Act 55. Discussion also included the importance of the renovation of existing facilities in the upcoming capital budget cycle.

Regent Delgado asked if DOA selectively chooses the projects it prefers. Ms. Roe stated that they do favor general purpose revenue projects that renovate existing space and program revenue projects that provide no new net square footage.

Ms. Roe provided a recap of the 2015-17 Capital Budget results and stated that we received no new all agency funds, which are used to address deferred maintenance. Regent Delgado suggested that the System make a case supporting its need and present a plan to ask for more major project, instructional space, and all agency maintenance and repair funding.

Ms. Roe continued by discussing the two new authorities granted in the 2015-17 biennial budget bill, which are leasing flexibility for space other than student housing and autonomy to contract and construct projects that are fully gift/grant-funded.

Ms. Roe stated that during the past 20 years there have been 23 projects that were entirely gift-funded. She added that she is working with the American Institute of Architects and the UW System legal office to craft contracts for architectural/engineering services and construction bidding. She explained that UW System must follow the requirements of Wisconsin Statutes and bid projects equal to or greater than \$185K as a single prime contract; projects costing less than \$185K can be bid as either a single or multi prime contract.

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

1. State Building Commission Actions - Associate Vice President Alexandria Roe reported that the building commission considered and approved the following projects at its August meeting at the State Fair Park.

UW-La Crosse: Authority to construct the new Science Labs Building project (\$82,000,000 GFSB); UW-Oshkosh: Authority to construct the Fletcher Hall Renovation and Addition project (\$23,500,000 PRSB); UW-Extension: authority to Construct the Lowell Hall South Wing HVAC System Repair (\$4,900,000 PRSB); UW System: Authority to construct various All Agency maintenance and repair projects (\$5,708,900 [\$4,201,900 GFSB Facility Maintenance and Repair and \$1,507,000 PR-Cash]).

2. Other Updates – There were no other updates.

The meeting ended at 10:03 a.m. and the Committee adjourned into closed session.

**I.3.j. 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-Stevens Point**

Regent Manydeeds called the closed session to order at 10:05 a.m. Present were Regents Delgado, Evers, and Langnes. Regent Vásquez was unable to attend. The closed session concluded at 10:09 a.m.