

**Minutes**  
**Capital Planning and Budget Committee**  
**Thursday, June 9, 2016**

The meeting of the Capital Planning and Budget Committee was called to order at 10:45 a.m. by Committee Chair Regent Edmund Manydeeds in the Union Ballroom West on the UW-Milwaukee campus. Regent Tony Evers, Regent José Delgado, and Regent James Langnes were in attendance. Regent Tracey Klein and Regent Bryan Steil were also present.

**I.3.a. Approval of the Minutes of the April 7, 2016 Meeting of the Capital Planning and Budget Committee**

After receipt of a motion and second, the minutes of the April 7, 2016, meeting of the Capital Planning and Budget Committee were approved as presented.

**I.3.b. UW System: Review and Approval of Changes to Regent Policy Document 19-14, “Naming or Dedicating of University Facilities and Lands”**

This item requested approval of changes to Regent Policy Document 19-14, which addresses the naming of university facilities and lands. The update clarifies the previous policy, provides that the Office of General Counsel review naming agreements, expands the naming criteria, and renames the policy “Naming of University Facilities and Lands.

Associate Vice President Alex Roe summarized this item by saying that the revision was prompted by requests from institutions to provide more clarity in the naming policy and to add a review of donor agreements by legal counsel to establish greater assurance that all agreements are in compliance with state statutes and Board of Regent policies. She explained that this amendment more clearly identifies naming authorizations and adds new criteria to ensure that individuals involved in the naming promote the mission and vision of the university and are in compliance with UW System agreements.

Regent Delgado asked if a procedure exists to change the name of a building, if necessary, and Ms. Roe responded that there is an option for the Board to consider a request to rename a building.

Upon the motion of Regent Delgado, and the second of Regent Evers, the Committee approved Resolution I.3.b., as noted below:

That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the attached revisions to Regent Policy Document 19-14, to be renamed “Naming of University Facilities and Lands.”

**I.3.c. UW-Green Bay: Approval of the Design Report for the New Soccer Complex Project and Authority to Construct the Project**

This item requested authority to construct a \$4.9M New Soccer Complex project; substitute \$900,000 of Program Revenue Supported Borrowing for the \$900,000 of Gift Funds as originally

requested due to a lack of gift funding availability. The project constructs a stadium with a turf field and three support buildings for the Division I soccer program.

Ms. Roe stated that as the project was developed, it became apparent to the university that this new turf athletic field could also be used by intramural and recreation sports groups. The student recreational intramural group agreed to provide funding to this originally gift-funded only project by adding \$900,000 Program Revenue Supported Borrowing, in lieu of a comparable amount of gift funds. She explained that their contribution to the project will occur over the course of the next eight years, and that financial participation will allow them use of the field. Ms. Roe continued by saying that funding will be comprised of residual program revenue supported borrowing and will not require any new borrowing by the legislature.

Upon the motion of Regent Langnes, and the second of Regent Evers, the Committee approved Resolution I.3.c., as noted below:

That, upon the recommendation of the UW-Green Bay Chancellor and the President of the University of Wisconsin System, the Design Report of the New Soccer Complex project be approved and authority be granted to: (a) substitute \$900,000 of Program Revenue Supported Borrowing for \$900,000 Gift Funds and (b) construct the project for an estimated total cost of \$4,984,000 (\$900,000 Program Revenue Supported Borrowing, and \$4,084,000 Gift Funds).

Regent Manydeeds then asked that, in the interest of time, some of the agenda items be grouped together for consideration and action. The committee agreed and the following two UW System requests were combined for discussion.

**I.3. d UW System: Authority to Construct 2015-2017 Classroom Instructional Technology Projects**

This item requested authority to construct various 2015-2017 Classroom Instructional Technology projects at an estimated cost of \$8.7M. This amount includes approximately \$1.7M of Institutional Funds added to the \$7M General Fund Supported Borrowing that was enumerated to support this high-demand program. Some institutions contributed additional funding to achieve a maximum benefit and address additional unmet, high-priority instructional needs.

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

This item requested approval of four All Agency Maintenance and Repair projects at three universities with estimated total costs of \$7.7M that include an upgrade to a fiber optic backbone, an athletic field, and its associated lighting; a programmatic lab remodeling; and an energy conservation project.

Upon the motion of Regent Delgado, and the second of Regent Manydeeds, the Committee approved Resolution I.3.d. and Resolution I.3.e., as noted below:

Resolution I.3.d.

That, upon the recommendation of the President of the University of Wisconsin System, the allocation of the 2015-17 Classroom Renovation/Instructional Technology Improvement

Program funds be approved and authority be granted to:

- (a) increase the program budget by \$1,706,000 Institutional Funds; and
- (b) construct the related projects at an estimated total cost of \$8,706,000 (\$7,000,000 General Fund Supported Borrowing and \$1,706,000 Institutional Funds); and allow the Division of Facilities Development to transfer balances, adjust individual project budgets and add or substitute other high-priority Classroom Renovation/Instructional Technology projects within authorized funding.

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 \$7,692,200 (\$906,900 General Fund Supported Borrowing; \$2,683,600 Program Revenue Supported Borrowing; \$906,400 Gifts and Grants; and \$3,195,300 Agency Cash).

Regent Manydeeds then suggested that items I.3.f., I.3.g., and I.3.h. be considered together for discussion and action, and the committee agreed.

**I.3.f. UW-Madison: Approval of the Design Report for the Witte Hall Renovation Project and Authority to Construct the Project**

This item requested authority to construct the \$47M Witte Hall Renovation project, which fully renovates that residence hall. Work includes replacement of its infrastructure/systems, doors, and windows and modifies the fire sprinkler system. A new connector tower will consolidate the location of new elevators and mechanical equipment, and expand residence life space. An additional floor will offset the loss of beds resulting from previous hall renovations.

As discussion began, Ms. Roe introduced UW-Madison Assistant Vice Chancellor Bill Elvey who explained the financial adjustments that were made to this project. He stated that the project as originally enumerated included the renovation of both Witte and Sellery halls, which house approximately 2,500 students. The original scope of the project proposed four years ago was to refresh both halls to accomplish an upgrade that would last about 15 to 20 years. The university had not done any pre-planning for these renovations and during design it became clear that the enumerated budget would not provide enough funding for the renovation of both halls. In addition, when the university started the planning process, it became apparent that to correct the concerns in the building, the project scope had to be revisited. The university decided to increase the project scope to accomplish a more complete 50-year whole building renovation in Witte Hall and postpone the renovation of Sellery Hall until a later time. He explained that design changes include a connector link that physically connects the two Witte towers and construction of another residential floor to provide surge space.

To avoid such a dilemma in the future, Mr. Elvey stated that the university has now adopted the standard business practice of doing a complete feasibility study when preparing a project for enumeration, which should produce a more reliable prediction of scope, cost, and schedule.

Ms. Roe added that the university carefully reviewed the financial impact of this increase before proceeding with the change of scope, and that all involved parties worked diligently to reduce unneeded scope items and design the renovation project in such a way that it could be constructed while the hall remains occupied, which results in a major financial benefit for the university.

Regent Delgado asked if UW-Madison has full occupancy of its residence halls, specifically in regard to freshman, and University Housing Director Jeff Novak replied that on-campus housing is provided to all freshman that desire it, and that the residence halls operate at approximately one percent over occupancy each fall, a percentage which allows for attrition.

**I.3.g. UW-Madison: Authority to Increase the Budget of the Memorial Union Renovation Project**

This item requested authority to increase the budget of the Memorial Union Renovation project by \$4M to provide funding for unforeseen conditions that were discovered during the project's construction which include: unexpected structural problems, historic elements that required replacement rather than restoration, and mechanical systems that were in worse condition than anticipated.

**I.3.h. UW-Oshkosh: Authority to Increase the Budget of the Fletcher Hall Renovation and Addition Project**

This item requested authority to increase the budget of the Fletcher Hall Renovation and Addition project by \$2.9M to allow DOA to accept the bid received in May to complete the originally approved scope and intent of the project, which is to replace outdated mechanical and electrical systems, add safety systems, and provide other code-compliant upgrades.

Upon the motion of Regent Langnes, and the second of Regent Evers, the Committee approved Resolutions I.3.f., I.3.g., and I.3.h. as noted below:

Resolution I.3.f.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the Design Report for the Witte Residence Hall Renovation project be approved and authority be granted to construct the project at a total estimated cost of \$46,997,000 (\$24,000,000 Program Revenue Supported Borrowing and \$22,997,000 Program Revenue Cash).

Resolution I.3.g.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget of the Memorial Union Renovation, Phase II project by \$4,000,000 of existing Program Revenue Supported Borrowing for a revised total project cost of \$50,585,000 (\$13,000,000 Program Revenue Supported Borrowing, \$7,585,000 Program Revenue-Cash and \$30,000,000 Gift Funds).

Resolution I.3.h.

That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget of the Fletcher Hall Renovation and Addition project by \$2,912,590 (\$1,659,390 PRSB and \$1,253,200 Program Revenue Cash) to accept bids for a revised estimated total cost of \$26,412,500 (\$25,159,300 Program Revenue Supported Borrowing and \$1,253,200 Program Revenue Cash).

Regent Manydeeds suggested that items I.3.i., I.3.j., I.3.k., and I.3.l. be considered together for discussion and action, and the committee agreed.

**I.3.i. UW-Madison: Authority to Sell the Knapp House Property in Madison, Wisconsin**

This item requested authority to sell the historic Knapp House property on East Gilman Street in Madison.

Ms. Roe summarized this item by explaining that the house was used for many years as a graduate center, but its condition deteriorated over the years and the \$2M estimate to renovate the facility as a useful property led the university to declare the house “underutilized” in 2013. She continued by saying that the parcel the house sits upon will be subdivided into two lots: the front lot on Gilman Street containing the Knapp House, and the back lot on Lake Mendota where the UW-Madison Lifesaving Station is located. The university will sell the Knapp property and retain ownership of the Lifesaving Station. All monies from the sale will return to the trust that funded the original property acquisition.

Regent Steil asked if there is interest expected for the sale of the property and Ms. Roe answered that there are some interested parties, and added that there are some deed restrictions to consider, due to its historic nature.

**I.3.j. UW-River Falls: Authority to Sell the Pigeon Lake Field Station in Drummond, Wisconsin**

This item requested authority to sell the Pigeon Lake Field Station in Drummond, Wisconsin, which was primarily used for biological research and other instructional programs. The university no longer uses this station due to low enrollments, a lack of available programming, and escalating operating costs and has declared it underutilized. An additional Board of Regents-owned 0.9 acre parcel adjacent to this property will also be included in the sale.

**I.3.k. UW-Madison: Approval of a Transfer of Property Known as the Green Farm from WARE Properties, LLC**

This item requested authority to transfer two parcels of land in Stoughton, Wisconsin, from the Wisconsin Alumni Research Foundation. The parcels’ location, which is adjacent to the Kegonsa Research Center, makes it desirable for future academic, research, and support buildings, possibly for School of Veterinary Medicine research and instructional facilities.

**I.3.l. UW-Superior: Authority to Sell Land for the Reconstruction of Belknap Street in Superior, Wisconsin**

This item requested authority to sell two small pieces of land and grant temporary limited easements to the city of Superior for the Wisconsin Department of Transportation Belknap Street (US Highway 2) Reconstruction project. The project will benefit the university as it resolves roadway drainage issues that have caused significant deterioration of the pavement and contributed to the extensive damage to UW-Superior during the major flood in 2012. The sale of

the land will not affect UW-Superior’s future plans and the temporary easement areas needed for this project will not hinder the day-to-day operations of the university.

Upon the motion of Regent Langnes, and the second of Regent Evers, the Committee approved Resolutions I.3.i, I.3.j., I.3.k., and I.3.l. as noted below:

Resolution I.3.i.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to sell the Knapp House parcel located at 130 East Gilman Street, Madison, Wisconsin.

Resolution I.3.j.

That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to sell a 0.9 acre parcel of land located in the Town of Drummond, Bayfield County, and all buildings and infrastructure improvements on adjacent leased land.

Resolution I.3.k.

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, approval be granted to accept two parcels of land located at 3777 Schneider Drive, Stoughton, Wisconsin, from WARF Properties, LLC, pursuant to the terms of the Real Property Exchange Agreement between the Wisconsin Alumni Research Foundation (WARF) and the Board of Regents.

Resolution I.3.l.

That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, authority be granted to sell two small pieces of land and grant temporary limited easements to the city of Superior for the Wisconsin Department of Transportation Belknap Street (US Highway 2) project.

**I.3.m. UW System Presentation: UW System Leasing Update**

UW System Real Estate Specialist Ellen Rosner updated the committee with a presentation that provided an analysis of UW System leased space. The update informed the members about the variety of lease types, the amount of leased square footage by university, as well as leased land interests.

**I.3.n. UW-Milwaukee Presentation: Supporting and Enhancing UWM’s Academic and Research Mission through its Capital Plan**

UW-Milwaukee presented information about how its proposed capital plan will support and enhance the university’s academic and research mission. Vice Chancellor Robin Van Harpen began by explaining the institution’s vision of becoming a top-tier research university that offers an excellent work environment as well as being a leading driver for sustainable prosperity. She continued by stating that there is a plan to accomplish that vision through commitments to excellence, powerful ideas, community and global engagement, and collaborative partnerships. Ms. Van Harpen explained the strategic drivers of student success, research excellence, community engagement, climate and culture, visibility, image, and brand and how each relates to that vision. She summarized the university’s 2017-2019 capital plan strategy to support its

mission of protecting enrollment and research growth in the STEM fields of chemistry, engineering, math, nursing and health sciences; detailed the institution's most urgent capital needs for 2017-2019; and described additional facility deficiencies, space shortages, and other critical future needs for renovation and repair.

The committee briefly discussed the status of upcoming projects requested by the university and the segregated fees that are associated with the Union Renovation project.

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

1. State Building Commission Actions

Associate Vice President Roe reported that recent State Building Commission actions in May included approval of the following projects:

UW-Oshkosh: Reeve Union Entrance and Expansion – increase the budget with \$1,084,000 PR-Cash

UW-Stout: Bowman Hall – release \$350,000 BTF for design

UW-Milwaukee: Lease of Cambridge Commons and RiverView Residence Halls

UW-LaCrosse: Center for Arts Elevator/Entrance Improvements – increase the budget with \$496,300 EX-GFSB

UW-LaCrosse: Graff Main Hall Storm Water Improvements - \$275,000 Cash

UW-Madison: Cole Beach Tennis/Volleyball Lighting - \$269,000 Cash

UW-Madison: Engineering Hall Plaza/Entrance - \$672,000 Gifts

UW-Madison: Lelah Starks Farm New Potato Building - \$393,800 Cash

UW-Manitowoc: Multi Building Energy Conservation - \$485,100 PRSB

2. Other Updates – There were no other updates.

The committee adjourned to closed session at 12:01 p.m.

**I.3.p. 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**

The closed session meeting adjourned at 12:14 p.m.