

**Board of Regents of the University of Wisconsin System**  
**Capital Planning and Budget Committee Minutes**  
**Thursday, December 6, 2018**

The meeting of the Capital Planning and Budget Committee was called to order at 9:01 a.m. by Committee Vice Chair Regent Delgado in Room 3310 of the Student Union on the UW-La Crosse campus. Regent Delgado, Regent Jones, Regent Plante, and Regent Ring were in attendance. Regent Evers was unable to attend. Regent Steil recently resigned from the Board of Regents.

Regent Delgado asked the committee members if any items on the agenda represented a conflict of interest to them, and hearing that there were none, he proceeded with the agenda.

**I.3.a. Approval of the Minutes of the October 4, 2018 Meeting of the Capital Planning and Budget Committee**

After receipt of a motion and second, the minutes of the October 4, 2018, meeting of the Capital Planning and Budget Committee were approved as presented.

**I.3.b. UW-Milwaukee: Authority to Construct the Northwest Quadrant Student Health Services Remodel Project and Approval of a Waiver of Regent Policy Document 19-8**

Upon the motion of Regent Jones, and the second of Regent Ring, the Committee approved (1) construction of the Northwest Quadrant Student Health Services Remodel project for an estimated total cost of \$7,700,000 Program Revenue Supported Borrowing and (2) a waiver of Regent Policy Document 19-8 to allow the use of segregated fees to fund improved student health services facilities.

Associate Vice President Alex Roe explained that this health services remodel project was enumerated as part of the 2013-15 Capital Budget for \$11M; however, the project scope and space needs were adjusted to better reflect operational and program efficiencies, and that adjustment resulted in a reduced cost estimate of \$7.7M.

Ms. Roe added that in order to fund this project, the university worked with the student government association, which approved a fee of \$29 to pay for the project. The existing \$29 fee for the Klotsche Annex project will end in 2022 and would recommence in 2023 as the fee to fund the student health services project. There will be no increase in fees at UW-Milwaukee because of this project.

She continued by explaining that Regent Policy 19-8 does not allow the use of segregated fees for the funding of improved student health services facilities. However, because the university is unlikely to receive general purpose revenue for this type of project, the student government approved the request of a policy waiver.

UW-Milwaukee Vice Chancellor Robin Van Harpen mentioned how critical it is that this project be constructed because of the limited space that student health services now occupies.

Regent Ring asked if the project was approved by the full finance committee or the student government and Ms. Van Harpen answered that it was approved by the Senate Finance Committee. Ms. Roe added that the original student fee was approved by the student government association.

**I.3.c. UW-Milwaukee: Approval to Demolish Northwest Quadrant Building A**

Upon the motion of Regent Jones, and the second of Regent Plante, the Committee approved demolition of Northwest Quadrant Building A as part of the Northwest Quadrant Renovation project.

Ms. Roe began her summary of this item by explaining that the eventual enumeration for the Northwest Quadrant Renovation project was \$17M less than what was requested for that project in the Board's 2017-19 Capital Budget request.

She explained that it was always unclear whether it would be more cost effective to renovate or replace NWQ Building A and that after working closely with the Department of Administration on this project, it was determined that demolishing building A would probably be a better solution than renovating or mothballing it, because it would be quite expensive to renovate it for business needs, since it was originally constructed as a medical facility.

She added that if the Board approves the ability to demolish the building and the final cost benefit analysis supports that action, UW System will ask the Department of Administration to modify the scope of work for that enumeration at the March State Building Commission meeting so the option of demolishing Building A is included for that project.

**I.3.d. UW-Platteville: Authority to Construct the Boebel Hall Addition and Renovation – Phase II Project**

Upon the motion of Regent Jones, and the second of Regent Ring, the Committee approved construction of the Boebel Hall Addition and Renovation – Phase II project for an estimated total cost of \$23,772,000 General Fund Supported Borrowing.

Ms. Roe explained that this request concerns the second and final phase of a two-phased project that constructs a small entrance area addition and renovates Boebel Hall to support instructional laboratories, undergraduate research space, and general assignment classrooms. This phase of the project will repair the infrastructure systems in the building and modernize the laboratories, which were built in an era when the programmatic needs were much different than those of today.

**I.3.e. UW-Stout: Authority to Increase the Budget for the Price Commons First Floor Renovation Project**

This item was revised. Upon the motion of Regent Ring, and the second of Regent Jones, the Committee approved Revised Resolution I.3.e., which provides an increase in the budget for the Price Commons First Floor Renovation project of \$900,000 Program Revenue Supported Borrowing and \$100,000 Cash for a revised estimated total cost of \$8,573,000 (\$8,473,000 Program Revenue Supported Borrowing and \$100,000 Cash).

Ms. Roe began her comments by saying project work remodels the first floor of Price Commons; upgrades mechanical systems; and adds fire suppression for the facility. The budget increase is needed to fund additional repairs caused by the unforeseen conditions of more extensive water infiltration and electrical and mechanical conditions that require the relocation of circuits and duct work. She stated that the original budget increase request of \$650,000 was revised to an increase of \$1M to ensure there is sufficient funding in case the next meeting of the building commission is delayed until Spring of 2019.

Ms. Roe explained that the December meeting of the Building Commission was cancelled and that no future commission meeting has been scheduled at this time. She reminded the committee that only the building commission can authorize debt, and since this budget increase is a debt request, it requires State Building Commission approval.

**I.3.f. UW System: Authority to Increase the Budget for the UW-River Falls Dairy Plant Remodel Project**

Upon the motion of Regent Jones, and the second of Regent Ring, the Committee approved an increase to the budget for the UW-River Falls Dairy Plant Remodel project of \$500,000 Program Revenue Cash for a revised estimated total cost of \$2,440,000 (\$915,000 General Fund Supported Borrowing, \$1,000,000 Existing-General Fund Supported Borrowing, and \$525,000 Program Revenue Cash).

This project, which is part of the 2013-15 Instructional Space Program, expands the dairy pilot plant and renovates space to accommodate donated modern dairy processing equipment.

Ms. Roe explained that between the time the equipment was originally promised in 2014 and when project construction began in 2018, the donors were able to provide newer, more advanced robust equipment that requires modest modification of the building's infrastructure to be installed in the renovated space. The budget increase to this project is necessary to fund that modification.

Regent Jones asked why this item is brought by UW System and Ms. Roe explained that it is part of the UW System managed Instructional Space Program, which is administered like a grant program with a focus on the upgrade of classrooms, instructional laboratory space, and technology.

**I.3.g. UW System: Authority to Construct Maintenance and Repair Projects**

Upon the motion of Regent Ring, and the second of Regent Jones, the Committee approved construction of various maintenance and repair projects at an estimated total cost of \$3,738,000 (\$2,638,000 Program Revenue Supported Borrowing and \$1,100,000 Agency Cash).

Ms. Roe summarized the three requested all agency projects. Two are at UW-Madison: the Chadbourne Hall Roof Replacement project and the Parking Lots 129 and 130 Reconstruction project and one at UW-River Falls: the Grimm Hall Restroom Renovation project.

**I.3.h. UW System: Authority to Execute the Remainder of the Design Contract and Construct the UW-Madison Biochemistry Building Loading Dock Renovation Project**

Upon the motion of Regent Jones, and the second of Regent Ring, the Committee approved the execution of the remainder of the design contract and construction of the UW-Madison Biochemistry Building Loading Dock Renovation project for a total project cost of \$1,500,000 Gift Funding.

Ms. Roe described this gift and grants program project by stating that both the Biochemistry and Bock Labs buildings have flooding problems at their loading dock areas during rainfall events, and that the university has brought forth gift funds to rebuild and raise the loading docks and do other work to solve the problems caused by stormwater.

Regent Delgado asked if this solution would just move the stormwater problem elsewhere, and Associate Vice Chancellor of Facilities Planning and Management David Darling answered that an engineering study had been done regarding the poor drainage situation, and that in addition to raising the loading docks, the size of an upstream drainage pipe will be significantly increased to better capture and convey the runoff water appropriately, all of which is expected to solve the drainage problem.

**I.3.i. UW System: Authority to Execute the Remainder of the Design Contract and Construct the UW-Madison Engineering Hall Plaza Entrance Project**

Upon the motion of Regent Ring, and the second of Regent Jones, the Committee approved the execution of the remainder of the design contract and construction of the UW-Madison Engineering Hall Plaza Entrance project for a total project cost of \$1,425,815 Gift Funding.

Ms. Roe explained that this gift funded project creates a new accessible entrance, build a new exterior stair, and reconfigure the front plaza area so it is more indicative of an entrance to the university's College of Engineering.

**I.3.j. UW System: Authority to Execute the Remainder of the Design Contract and Construct the UW-Madison Primate Center Backup Generator Project**

Upon the motion of Regent Jones, and the second of Regent Ring, the Committee approved the execution of the remainder of the design contract and construction of the UW-Madison Primate Center Backup Generator project for a total project cost of \$1,200,000 Gift Funding.

Ms. Roe summarized this request that proposes to build a vault with a backup generator for the UW-Madison Primate Center and the Harlow Laboratory to support their Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) accredited operations. The accreditation is important to retain because it facilitates receiving federal research grants.

**I.3.k. UW-Madison: Authority to Construct the UW-Extension Lowell Hall Floors 2-4 Renovation Project**

Upon the motion of Regent Plante, and the second of Regent Ring, the Committee approved construction of the UW-Extension Lowell Hall Floors 2-4 Renovation project for an estimated total cost of \$4,005,000 (\$3,005,000 Program Revenue Supported Borrowing and \$1,000,000 Cash).

Ms. Roe explained that this project was enumerated as a UW-Extension project to renovate three floors in the Lowell Center, which is part of the UW Conference Centers that were recently transferred from UW-Extension to UW-Madison as part of UW System's restructuring. The project transforms space into 20 additional guest rooms and some office space as well as provides necessary utility upgrades.

**I.3.l. UW System: Authority to Execute the Remainder of the Design Contract and Construct the UW-Madison Upham Woods Administration Building Replacement Project**

Upon the motion of Regent Jones, and the second of Regent Ring, the Committee approved execution of the remainder of the design contract and construction of the UW-Extension Upham Woods Administration Building Replacement Project for \$3.1M Gift/Grant Funds.

This gift funded project constructs an 8,000 square foot replacement facility to accommodate the learning center's programmatic needs with academic learning space, appropriate restrooms, and research space. The new structure will be adjacent to the existing dining building and will provide ADA access for both facilities.

**I.3.m. UW System: Lease Renewals for University of Wisconsin System Administration**

Upon the motion of Regent Ring, and the second of Regent Plante, the Committee approved (a) execution of a lease of 45,148 GSF of office space and 1,192 GSF of storage space between the board of Regents and Collegiate Gothic Associates, LP for administrative offices for University of Wisconsin System Administration and (b) execution of a lease of 23,441 GSF of office space between the Board of Regents and City Station Associates, LP for administrative offices for the University of Wisconsin System Administration Service Center.

Ms. Roe said that UW System Administration committed to reducing lease costs across its five lease locations as part of the system's CORE initiative and this request concerns two lease renewals: one for system administrative offices located at 780 Regent Street and the other at 660 West Washington Avenue in Madison. System's current landlord of these properties agreed to reduce the existing lease rates to save the cost of relocation and offered a seven-year term with two, five-year renewals and a resulting savings to UW System of \$1.4M during the seven-year term.

**I.3.n. UW System: Semi-Annual Status Report on Leasing**

A summary report of all leases executed by the University of Wisconsin System from June 1, 2018, through November 30, 2018, was provided to the Board. Five leases were executed during the last six months for a variety of uses, and no leases were terminated.

**I.3.o. UW System: Semi-Annual Status Report on UW Solely Managed Capital Projects**

A December 2018 status report of gift and grant funded projects managed solely by the University of Wisconsin System was provided and Ms. Roe gave an overview of the information by saying that the program has grown by approximately \$11M during the last six months and that nearly \$33M worth of work had been completed in the program. She added that about \$92M of the \$105M total value of all projects is for design and construction, and that the program is often used to fund planning studies in anticipation of future capital building projects. The program has contracted with five on-call design firms that were approved by the Board last February; engaged

25 different professional service (a/e) firms; and executed construction contracts with 14 different contractors using a single prime bidding process.

**I.3.p. UW-La Crosse Presentation: *Transforming Science Education at UWL***

Vice Chancellor Bob Hetzel presented the committee with information about the new Prairie Springs Science Center and its impact on science education at UW-La Crosse. He explained that planning for this facility will eventually replace the outdated 54-year-old Cowley Hall building with its aged infrastructure, began about eight years ago and that the project was divided into two phases. Phase I constructed a new 187,00 square foot facility with 36 instructional labs and 20 research labs to enhance science learning. Phase II of this project, which is included in the UW System 2019-21 Capital Budget request, plans to demolish the aged Cowley Hall and construct a new structure that will satisfy the balance of the needs of the modern science education programs.

The committee viewed a video about the new center and some of the collaborative instruction and research activities that are able to be accomplished in that facility due to its design, which supports an active learning environment.

UW-La Crosse Student Senate Vice President Haley Jurecki spoke to the committee about how the Prairie Springs Science Center facility environment has changed science education from a student's perspective.

**I.3.q. UW System Presentation: *Building Condition Update and GIS System***

Capital Budget and Projects Planner Tom Bittner provided a brief status update to the building condition ratings reported annually by each institution for all buildings owned by the Board of Regents. Next, GIS/Real Estate Specialist Paul Boehnlein presented an update on the development of a Geographic Information System resource and showed how the information is used for capital planning purposes.

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

Associate Vice President Alex Roe reported that preliminary meetings have been held with the Department of Administration about the UW System capital budget request, and that there have been discussions about the all agency and instructional space programs regarding the scale of some of the projects in those programs. Ms. Roe added that although the December building commission meeting was cancelled, she is hopeful there could be a commission meeting scheduled for January.

The Capital Planning and Budget Committee meeting was adjourned at 10:01 a.m.