

**Board of Regents of the University of Wisconsin System  
Capital Planning and Budget Committee Minutes  
Thursday, July 11, 2019**

The meeting of the Capital Planning and Budget Committee was called to order at 9:00 a.m. by Committee Chair Regent Jones in the Gordon Dining & Event Center on the UW-Madison campus. Regents Plante, Beightol, Klein, Stanford Taylor, and Woodmansee were present.

Regent Jones 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 June 6, 2019 Meeting of the Capital Planning and Budget Committee**

After receipt of a motion and second, the minutes of the June 6, 2019, meeting of the Capital Planning and Budget Committee were approved as presented.

**I.3.b. UW-Madison: Authority to Enter Into a Lease of Space for the Division of Information Technology**

This item requested approval to enter into a new lease of 7,744 GSF of office space between the Board of Regents and KW Delta, LLC for the Division of Information Technology.

Senior Associate Vice President Roe explained that the Computer Sciences Building has reached maximum occupant capacity and the Department of Computer Sciences needs more space to accommodate its projected growth in faculty and staff over the next three to five years.

This leased space, which is located on West Main Street in Madison, will provide office space for a unit that does not need to be physically located on campus. The vacated space will be occupied by new Department of Computer Sciences staff, who are expected to start work this fall.

Resolution I.3.b. was moved by Regent Woodmansee, seconded by Regent Klein, and adopted unanimously on a voice vote.

**I.3.c. UW System: Authority to Construct 2017-19 Classroom Renovation/Instructional Technology Improvement Program Projects**

This item requested that the allocation of the 2017-19 Classroom Renovation/Instructional Technology Improvement Program funds be approved and authority be granted to construct the related projects at an estimated total cost of \$1,672,000 General Fund Supported Borrowing of the originally enumerated \$10,000,000 General Fund Supported Borrowing.

Ms. Roe explained that the funding will be used to update existing general assignment classroom and laboratory instructional environments for two high-priority projects funded with general fund supported borrowing: one at UW-Oshkosh for \$435,000 and the other at UW-Stevens Point for \$1,237,000. These projects are expected to result in six new appropriately sized and equipped instructional spaces.

Regent Beightol asked if there is a time limit for spending the program's \$10 million enumeration and Ms. Roe answered there is not.

Resolution I.3.c. was moved by Regent Stanford-Taylor, seconded by Regent Beightol and adopted unanimously on a voice vote.

**I.3.d. 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 \$5,583,900 (\$2,287,100 General Fund Supported Borrowing; \$245,000 Program Revenue Supported Borrowing; and \$3,051,800 Agency Cash).

Ms. Roe provided a short summary of each project as follows:

UW-River Falls: University Center Entry and Terrace Renovation (\$425,400)

The project moves the entrance to the main building and enhances the terrace landscaping.

UW-Stout: Price Commons Kitchen Hood Replacement (\$674,000)

The project installs modern more effective hoods for better energy efficiency.

UW-La Crosse: Heating Plant Fuel Reliability Upgrade (\$3,984,500)

The project installs new fuel oil burners to replace the coal-fired burners, upgrade the existing control systems, and removes all coal and ash handling equipment.

UW-Oshkosh: Heating Plant Fuel Reliability Upgrade Budget Increase (\$500,000)

The budget increase is required to match current design consultant estimates and bid the project with the originally approved scope and intent.

Resolution I.3.d. was moved by Regent Klein, seconded by Regent Plante, and adopted unanimously on a voice vote.

**I.3.e. UW-Madison: Authority to Execute the Remainder of the Design Contract and Construct the UW-Managed Red Gym Renovation Project**

This item requested authority to execute the remainder of the design contract and construct the UW-managed Red Gym Renovation project for a total estimated project budget of \$2,000,000 Gift/Grant Funds.

This project renovates space within the Armory and Gymnasium (the historic Red Gym, constructed in 1894) to accommodate the changing needs of student services, improve functionality, and increase space utilization.

Ms. Roe summarized the project by saying that it will renovate and reconfigure space, upgrade finishes, and provide new fixtures, furniture, equipment, and electrical voice/data infrastructure. She added that all the work will be coordinated with the Wisconsin Historical Society.

Resolution I.3.e. was moved by Regent Stanford-Taylor, seconded by Regent Plante, and adopted unanimously on a voice vote.

**I.3.f. Rescind and Remove Regent Policy Document 19-7, “Development of Facilities in the University of Wisconsin Colleges”**

This item requested that Regent Policy Document 19-7, “Development of Facilities in the University of Wisconsin Colleges” be rescinded and removed because the policy is obsolete.

Ms. Roe explained that the recent restructuring of the UW System makes RPD 19-7 obsolete. She stated that Board has long-term land leases for the locations of the colleges, but the buildings are owned by the local governments, and that System is generally responsible for providing the equipment and operational costs of the college campuses. She added that, recognizing the importance of continued facility development through collaboration between the receiving institutions and the local governments, UW System may request changes in the future to policies that are related to the colleges campuses.

Resolution I.3.f. was moved by Regent Beightol, seconded by Regent Woodmansee, and adopted unanimously on a voice vote.

**I.3.g. UW-Oshkosh: Authority to Rename the University of Wisconsin-Fond du Lac, University of Wisconsin-Fox Valley, and the University of Wisconsin-Oshkosh**

This item requested authority to rename (1) University of Wisconsin-Fond du Lac “University of Wisconsin-Oshkosh, Fond du Lac Campus,” (2) University of Wisconsin-Fox Valley, “University of Wisconsin-Oshkosh, Fox Cities Campus,” and (3) University of Wisconsin-Oshkosh, “University of Wisconsin-Oshkosh, Oshkosh Campus.”

UW-Oshkosh Chancellor Leavitt explained that name change recommendations for each campus were developed by a team that included representatives from all three campuses, and that the university solicited support for the recommendations from local government leaders as well as through an external market position and branding study. The renamings reflect the integration of the institution as three campuses, one university.

Regent Beightol asked how the university would indicate that all three campuses were tied together as one university and Chancellor Leavitt replied that the former colleges campuses would be called access campuses, not satellite campuses, and there would be a single administrative structure to oversee all three campuses.

Provost and Vice Chancellor for Academic Affairs John Koker added that the university plans to have a single academic structure with a single faculty to offer a single curriculum on all three campuses.

Regent Klein expressed her appreciation of how thoughtfully the renamings were accomplished.

Resolution I.3.g. was moved by Regent Woodmansee, seconded by Regent Klein, and adopted unanimously on a voice vote.

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

1. State Building Commission Actions

Ms. Roe stated that the Building Commission met on June 24<sup>th</sup> and approved a variety of projects that included UW-Parkside–Wyllie Hall Renovation, Phase I and the acquisition of a small parcel of land within the campus boundary at UW-Stevens Point. The commission also approved \$4.1 million General Fund Supported Borrowing for three Classroom Renovation/Instructional Technology Improvements projects and \$8.3 million to fund four All Agency maintenance and repair projects.

2. 2019-21 Capital Budget Update

Ms. Roe stated that UW System received a very successful capital budget for the 2019-21 biennium. She mentioned that the Governor recommended a \$30 million Minor Facilities Renovation Program as a subset of the UW System All Agency request, and as budget considerations progressed, the request was expanded to \$90 million.

She informed the committee of those projects that the Board of Regents approved as part of its 2019-21 Capital Budget submittal, but were not enumerated by the legislature. Regent Beightol asked if there is a theme why those projects were not approved, and Ms. Roe explained that regarding the new residence hall, there were some concerns about the evolving enrollment numbers. As for the other projects, System staff are working closely with the Department of Administration to identify its concerns regarding those projects.

Ms. Roe continued her report by saying that the Joint Finance Committee added planning funds for two projects: the UW-Green Bay Cofrin - Library Renovation project and the UW-Oshkosh - Clow Hall Nursing/Education Renovation, Phase II project, however, the Governor vetoed planning funds for the UW-Green Bay project. She reported that information concerning how much All Agency funding we will receive won't be available until later this year and concluded her remarks by declaring that the 2019-21 enumerations have made this a wonderful capital budget for UW System.

Regent Jones asked if it is likely that the universities will get their project planning design costs returned to them, and Ms. Roe answered that the university can ask for those funds to be returned when the project goes to the building commission for approval to construct.

Regent Klein asked Ms. Roe to comment on the difference between this budget and previous capital budgets and to speak about issues that have developed with building program contracts.

Ms. Roe reported that System staff are working closely with the new leadership at DOA to find solutions to those contract issues and that the department received 5 new employee positions in the new budget that can hopefully be assigned to the construction area, and that should help find solutions to the contract issues.

Ms. Roe elaborated about UW System's capital budget request by saying it had asked for \$1,963,591,000 and received \$1,030,000,000, and if the \$210,000,000 (All Agency Funding request) is added to that amount, UW System would have gotten \$1,240,000,000. She remarked that the big difference in the 2019-21 request was the request for full funding for all the advance enumerations, which we did not receive. She explained that \$549,000,000 of our \$1.9 billion request was for advance enumeration, and we only received \$5 million for those projects.

Regent Klein asked Ms. Roe to comment on why the results of the 2021-23 capital budget request were so positive and how that was accomplished and Ms. Roe explained that UW System and the universities were devoted advocates for their projects at the capitol and they encouraged the legislators to visit the campuses so they could understand the great need for capital funding. She added that most of the projects that were requested in the capital budget focused on the repair, renovation, and replacement of facilities, rather than requesting construction of new space.

Regent Beightol asked Ms. Roe if the legislature appreciates the substantial gift component for some of the projects and Ms. Roe responded that the gift funding made a big difference in support for the UW-Madison Gymnasium/Natatorium Replacement project, the UW-Eau Claire Science/Health Science project, and the UW-Veterinary Medicine and Addition project. She explained that the legislature appreciates knowing that UW System is maximizing the state's investment in our facilities.

3. Other Updates

There were no other updates.

The Capital Planning and Budget Committee meeting adjourned at 9:41 a.m.