

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM
Capital Planning and Budget Committee Minutes
Thursday, October 10, 2019

The meeting of the Capital Planning and Budget Committee was called to order at 10:45 a.m. by Committee Chair Regent Jones in Room 204 of the Yellowjacket Union on the UW-Superior campus. Regents Plante, Beightol, and Woodmansee were present. Regents Stanford-Taylor (10:50 a.m.) and Klein (10:52 a.m.) joined after roll had been taken.

Regent Jones asked the committee members if any items on the agenda represented a conflict of interest to them, and Regent Plant acknowledged that his company was involved in the Sonnentag project, which would be the topic of a presentation given later in the meeting, but there would be no vote about that item. Regent Jones, hearing that there were no other conflicts of interest, proceeded with the agenda.

A. Approval of the Minutes of the July 11, 2019 Meeting of the Capital Planning and Budget Committee

After receipt of a motion and second, the minutes of the July 11, 2019, meeting of the Capital Planning and Budget Committee were approved as presented.

B. UW-Superior Presentation: *Small but Mighty: Facilities Support Student Success*

UW-Superior Director of Athletics Nick Bursik and Director of Facilities Management Dusty Johnson provided a presentation titled *Small but Mighty: Facilities Support Student Success* that highlighted athletics and recreational activities that have become important components of the university's undergraduate enrollment, despite its deteriorating facilities. They explained that, typically, the university's 115 student-athletes have a commitment to academics that is demonstrated by their higher GPA than the overall student body, and that they have higher retention and graduation rates than the general student body. Next, they described the poor condition of the current athletic facilities and the future facility enhancements the university plans to undertake, as identified in a recently completed Athletic Recreation Master Plan.

Student-Athlete Advisory Committee officers Mathea Brink and Eva Reinertsen spoke to the committee about the challenges of playing on the existing sports fields.

C. UW-La Crosse: Authority to Sell Two Parcels of Improved Land

This item requested authority to sell two 0.126-acre parcels of land with improvements, located at 2319 and 2323 Madison Road, La Crosse, Wisconsin.

Senior Associate Vice President Alex Roe explained that the two improved properties are located outside the campus boundary and each contains a house constructed in early 1900. She explained that the university no longer has any use for these

properties, which have outlived their usefulness, and would like to divest itself of them and use the proceeds to replenish its acquisition fund for purchasing more strategically located property in the future.

Regent Beightol asked for more information about the acquisition fund and Vice Chancellor for Administration and Finance Bob Hetzel explained that it is only a small fund into which the university intends to deposit the proceeds of the property sales.

Resolution C. was moved by Stanford-Taylor, seconded by Regent Jones, and adopted unanimously on a voice vote.

D. UW-La Crosse: Authority to Enter Into a Facility Use Agreement for Development of a Shared Tennis Facility

This item requested authority to enter into a 20-year facility use agreement to develop a shared tennis facility with the city of La Crosse and the Coulee Region Tennis Association for \$250,000 Cash.

Ms. Roe summarized the request by saying that the university will partner with the city of La Crosse and the Coulee Region Tennis Association to develop ten outdoor courts during the first phase of this project. She explained that phase two of the project, which involves construction of the dome, is expected to come before Board for approval next year. This partnership allows the university significant savings as it provides the men's and women's teams a new safe environment for practice and tournaments without the expense of upgrading its existing courts that are in a deteriorated condition and no longer cost-effective to repair.

Regent Stanford-Taylor asked what will happen to the old courts and Dr. Hetzel explained that those areas would become green space.

Resolution D. was moved by Regent Klein, seconded by Regent Stanford-Taylor and adopted unanimously on a voice vote.

E. UW-Parkside: Authority to Execute a Ground Lease with We Energies

This item requested authority to execute a 30-year ground lease for approximately 12.0 acres of land between the Board of Regents and We Energies to host a solar photovoltaic array on the main campus.

Ms. Roe summarized the request by saying that the 2.25-megawatt solar photovoltaic array would be built on underutilized property along the eastern edge of the main campus. The university would enter into a long-term lease and We Energies would build and maintain the array, which would be used for research as well as increase the visibility of renewable energy efforts in southeast Wisconsin.

Responding to a question concerning what risks the Board might be taking by leasing to an outside entity, Ms. Roe responded that the Office of General Counsel had thoroughly reviewed the request. Regent Klein commented that this is a great initiative undertaken by the university.

Resolution E. was moved by Regent Stanford-Taylor, seconded by Regent Klein, and adopted unanimously on a voice vote.

F. UW-Eau Claire: Authority to Construct the Governors Hall Addition and Renovation Project

This item requested authority to construct the Governors Hall Addition and Renovation project at an estimated total cost of \$19,307,000 Program Revenue Supported Borrowing.

Ms. Roe described the project by saying it will renovate the 1962 building by replacing all exterior windows, roofing systems and mechanical, electrical, and plumbing systems and installing a new fire sprinkler system, a new elevator and air conditioning. The building's two wings will be joined on every floor with an elevator lobby and the project's new configuration will result in the addition of 46 beds to the building's inventory.

Regent Woodmansee asked if the building would have gender-neutral restrooms, and Ms. Roe answered that it would.

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

G. UW-Madison: Authority to Construct the Camp Randall Stadium Renovation/Field House Repairs Project

This item requested authority to construct the Camp Randall Stadium and Fieldhouse Renovation project at an estimated total project cost of \$77,646,000 (\$68,046,000 PRSB, \$6,600,000 Cash and \$3,000,000 Gift Funds).

Ms. Roe summarized the project by saying it will be accomplished using an alternate delivery method and is expected to start next November and be completed in August of 2021. The project renovates a portion of the stadium to create new club seating options by removing 6,600 seats in the south end zone and replacing them with 3,000 premium seats with appropriate vending for that area. It also restores the north façade of the fieldhouse, renovates the west side press box, and replaces the field turf in Camp Randall and the McClain Center.

Regent Plante expressed his concern about the cost of the project that would return only half the number of seats. Associate Vice Chancellor for Facilities Planning and

Management David Darling stated that the project cost is also attributed to two turf fields and other construction items that do not involve seats. Regent Stanford-Taylor asked what revenue the new seats would generate and Ms. Roe answered that there would be a higher charge for the new seats.

Regent Woodmansee asked if it is timely to replace the turf and Ms. Roe responded that the replacement is timely and that there are also problems with the field's drainage that will be resolved by this replacement.

Resolution G. was moved by Regent Plant, seconded by Regent Stanford-Taylor, and adopted unanimously on a voice vote.

H. UW System: Authority to Construct a Utility Improvement Project

This item requested authority to construct the UW-Whitewater Heating Plant Boilers Fuels Retrofit project at an estimated total cost of \$6,937,000 (\$3,954,000 General Fund Supported Borrowing and \$2,983,000 Program Revenue Supported Borrowing).

Ms. Roe explained that due to a substantial increase in the cost of steam for the campus that is purchased from a third-party utility provider, the university needs to bring its heating system back online. This project installs new fuel oil burners and updates the pressure vessels and gas burners to safely, reliably, and efficiently produce steam for the entire campus and its completion will assure full redundancy of steam production for the campus.

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

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

This item requested approval of the allocation of the 2017-19 Classroom Renovation/Instructional Technology Improvement Program funds; authorization to construct the related projects at an estimated total cost of \$2,160,000 General Fund Supported Borrowing of the originally enumerated \$10,000,000 General Fund Supported Borrowing 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 the authorized funding.

Ms. Roe summarized this request by saying it will construct two 2017-19 Classroom Renovation/Instructional Technology projects for a total cost of \$2.1 M. The first will renovate vacated space in Mitchell Hall to create a 50-student active learning classroom at UW-Milwaukee, and the second will renovate space for a 24-student robotics lab as well as an automation lab in Russell Hall at UW-Platteville.

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

Regent Beightol asked how System demonstrates its value statement associated with building projects. Ms. Roe explained that there are 1,600 general purpose classrooms and one of long range goals is to invest in these spaces and that System had received 74 requests for projects in this program, but could fund only 17. She reminded the committee that the Classroom/IT program projects are number two in the Board of Regents list of project priorities. Regent Beightol commented that it would be very helpful to be able to tie the building projects back to the mission of UW System.

J. UW System: Authority to Construct All Agency Maintenance and Repair Projects

This item requested approval to construct All Agency Maintenance and Repair projects at a total cost of \$4.8 M. Those projects include multi-building elevator renovations at UW-Whitewater, a steam pit and utility line replacement at UW-Oshkosh, an increase to match current design estimates for a fuel reliability project at UW-Stout, and replacement of the campus fiber optic backbone at UW-Superior.

Ms. Roe announced that UW System was notified that its request for \$200,000,000 of General Fund Supported Borrowing for the 2019-21 biennium All Agency funding has been met. She added that System also received \$50,599,000 Program Revenue Supported Borrowing for the All Agency program.

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

K. UW-Madison: Authority to Complete Design, Increase the Budget, and Construct Phase II of the UW-Managed Educational Sciences, Wisconsin Center for Education Research Renovation Project

Ms. Roe stated approval of this request will allow completion of the design and an increase to the budget of \$1.1 M Gift Funds, for construction of phase II of the UW-Managed Educational Sciences, Wisconsin Center for Education Research Renovation project. This second phase renovates the fourth floor of the Educational Sciences building to create testing labs, offices, and support space for the Wisconsin Center for Education Research to promote research that focuses on early childhood to adult educational psychology.

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

M. Report of the Senior Associate Vice President

1. State Building Commission Actions

Ms. Roe reported that all projects approved by the Board in July were also approved by the Building Commission at their meeting on August 7th at State Fair Park.

2. Update on the Gift of a Research Vessel to UW-Milwaukee

Ms. Roe briefed the committee on the ongoing efforts of UWM's School of Freshwater Sciences in collaboration with the UWM Foundation to seek funds for the construction of a new Great Lakes research vessel to replace its aging and outdated vessel, the *Neeskay*. The new vessel will also serve the interests of the newly proposed, UW System-wide "Fresh Water Collaborative" and will be completely funded through gifts/grants, with no state money involved. UWM is anticipating construction costs of approximately \$15 M. In addition, UWM plans to raise \$5 M to create an endowment managed by the UWM Foundation to support the ongoing operations and maintenance of the School's fleet, including the vessel.

L. UW-Eau Claire Presentation: *A Partnership with Eau Claire Community Complex Inc.*

The committee heard a presentation by Chancellor Schmidt on the evolving partnership between the Mayo Clinic Health System Northwest, the Chippewa Valley YMCA, Blugold Real Estate and the University of Wisconsin-Eau Claire. He explained that UW-Eau Claire alumni John and Carolyn Sonnentag have donated 30 acres along Menomonie Street to Blugold Real Estate for the development of a new event and recreation complex to provide a collaborative use of space for athletics, recreation, sports medicine, and human performance training expertise along with research conducted by UW-Eau Claire's Kinesiology and other academic programs.

Chancellor Schmidt explained that the Sonnentag project is based on the Pablo Center (a component of the Confluence Project) which is currently being used by the community and university students, staff, and faculty. He added that the Eau Claire Community Complex, Inc. (ECCC), A 501(c)3 non-stock, non-profit corporation, will be established. The ECCC board will consist of one representative from each organization (Mayo, YMCA, UWEC Foundation, UWEC), as well as three seats for community representation, of which one will be dedicated to a student body representative. ECCC will be responsible for design, construction and long-term maintenance of the complex. A request to lease space in the proposed complex will be forthcoming to the board for consideration.

The Capital Planning and Budget Committee meeting adjourned at 12:17 p.m.