

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM  
**Capital Planning and Budget Committee Minutes**  
**Thursday, February 6, 2020**

The meeting of the Capital Planning and Budget Committee was called to order at 10:47 a.m. by Committee Chair Regent Jones in Varsity Hall I of Union South on the UW-Madison campus. Regents Plante, Beightol, Klein, and Woodmansee were present. Regent Stanford Taylor was absent.

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

A. Approval of the Minutes of the December 5, 2019 Meeting of the Capital Planning and Budget Committee

After receipt of a motion and second, the minutes of the December 5, 2019, meeting of the Capital Planning and Budget Committee were approved as presented.

B. UW-Green Bay: Authority to Sell a Parcel of Improved Land

This item requests approval to sell a parcel of land improved with a 1970s-era house about 10 minutes from campus that served as the chancellor's residence.

Ms. Roe briefly described this request by saying the property needs more than \$90,000 of extensive housing and site improvements. It was determined that the campus no longer needed the property since there are other locations on campus available for entertaining. After receiving two appraisals the house was listed for \$385,000 and an as-is offer was received for that amount. Revenue generated from the sale will be used to create a student meeting activity space, per the agreement when the house was originally donated to the university.

In response to a question from Regent Klein, Ms. Roe answered that the offer was accepted contingent upon approval of the Board of Regents.

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

C. UW-Madison: Authority to Construct the Sellery Hall Addition and Renovation Project

This item requested approval to construct the \$78.8 million Sellery Hall Addition and Renovation project to provide programmatic and infrastructure upgrades to improve functionality, efficiency, and building code compliance.

Ms. Roe showed slides of the project and explained that Sellery Hall is nearly a twin to Witte Hall, which was just renovated. She continued by saying that the project will add

one floor for 125 additional beds and construct a connector link for the two buildings that will create an accessible building entrance and provide space for new bathrooms and the consolidation of mechanical equipment and the relocation of passenger elevators. The building will be occupied during the renovation, which is expected to be completed in August 2023.

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

D. UW-Madison: Authority to Increase the Budget of the Babcock Hall Dairy Plant Addition Project

This item requested approval to increase the budget of the Babcock Hall Dairy Plant Addition project, which constructs a three-story addition and remodels portions of Babcock Hall to house the Center for Dairy Research.

Ms. Roe provided background information about the importance of the dairy industry to Wisconsin and summarized the request by stating it was enumerated in the 2013-15 biennium and builds a one-of-a-kind state-of-the-art facility for dairy research and renovates the historic dairy plant.

She explained that when the project was bid in March of 2018, the bid documents included only a placeholder for the customized and donated equipment. Some of the equipment was to be acquired during construction, and the utility locations, electrical service, hub drains, and other facility changes were to be undertaken as the design of the equipment was finalized, therefore, the construction contract documents and budget would require updates.

This request to increase the budget will allow the project team to finish construction of the specialized equipment space and replenish the contingency to accommodate any future unforeseen conditions when the renovation of the dairy plant begins later this year.

Vice Chancellor for Finance and Administration Laurent Heller spoke briefly about the importance of the cheese making industry, which is a major contributor to this project, and he identified the sources of funds that will be added to the project.

In response to a question asked by Regent Jones, Mr. Heller stated that there would be process improvements put in place as a result of experiences encountered with this project. Ms. Roe added that the university intends to redefine roles and responsibilities to improve performance, and Mr. Heller added that the university will expand its level of resource expertise with the intent of improving project outcomes.

Regent Beightol commented that this project is very important to the dairy industry and will allow Wisconsin cheese production to be the best.

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

E. UW-Madison: Authority to Increase the Budget of the Meat Science and Muscle Biology Laboratory Project

This item requested approval to increase the budget of the Meat Science and Muscle Biology Laboratory project that constructs a new facility to serve academic and research needs as well as provide a site for training food inspectors.

Ms. Roe summarized this item by saying this project, built by the College of Agriculture and Life Sciences, is a one-of-a-kind, state-of-the-art facility for Meat Science to provide research and teaching space for the various types of animal food products involving beef, pork, poultry, and other meats. Because the facility will accommodate multiple animal types, it requires custom-designed and fabricated equipment that can be adjusted to facilitate their differing sizes and weights. This factor has necessitated modifications to the original design of the facility and changes to the building and its utility systems.

This budget increase will fund the final modifications to the building that are required to accept the customized fabricated equipment and meet the mission of the new facility and the meat industry.

Mr. Heller identified the source of funds that will be added to the project and in response to a question from Regent Plante, Ms. Roe explained that the majority of the equipment budget identified in an earlier approval has been transferred to the General Contractor for use as part of their equipment acquisition. The remaining funds would be used by the university for movable equipment.

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

F. UW-Madison: Authority to Enter Into a Lease of Space for the Administrative Transformation Program

This item requested approval to lease space for the Administrative Transformation Program, a multi-year effort to streamline administrative processes.

Ms. Roe explained that the space, which is located near other UW-Madison facilities and UW System offices, was identified through a Request for Information completed in May 2019 and is available for immediate occupancy. The lease is for 5 years with two 5-year

renewal options and the cost is very competitive within the Madison office space rental market.

In response to a question from Regent Woodmansee, Ms. Roe explained that landlords sometime agree to include funding for tenant improvements in a rental contract.

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

G. UW-Whitewater: Authority to Name the New Residence Hall

This item requested approval to name the new Residence Hall, "Ma'iingan Hall," which is Ojibwe for "wolf."

Ms. Roe stated that the name was chosen as a tribute to the diverse Native peoples who have lived on the lands on which UW-Whitewater now exists. It was selected in cooperation with Mr. Wayne LaBine, CEO of the Great Lakes Inter-Tribal Council and with the support of the Great Lakes Inter-Tribal Council members.

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

H. UW System: Authority to Construct a 2017-19 Classroom Renovation/Instructional Technology Improvement Program Project

This item requested authority to construct a 2017-19 Classroom Renovation/Instructional Technology Improvement Program project at UW-Parkside.

Ms. Roe briefly described this project, which is the last of the 2017-19 classroom renovation project group. It will remodel an existing instructional lab in Greenquist Hall that is underutilized to support modern teaching nursing pedagogy and provide a state-of-the-art active learning classroom. It also remodels an existing science instructional lab to address safety concerns and infrastructure deficiencies with a goal of increasing student recruitment and retention.

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

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

This item requests approval to construct two All Agency Maintenance and Repair projects for a total cost of \$1.5 million consisting of a Purin Hall infrastructure repair project at UW-Milwaukee and an Esker Hall roof replacement project at UW-Whitewater.

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

J. UW System: Approval to Modify Regent Policy Document 19-14, "Naming of University Facilities and Lands"

This item requests approval to modify Regent Policy Document 19-14, "Naming of University Facilities and Lands" to establish standards, criteria, and procedures for naming UW buildings, facilities and land for corporations or other legal entities.

Ms. Roe summarized this request by saying that corporate giving has recently increased and the existing policy 19-14 did not address facility naming related to corporations. The policy modifications were made after much research regarding appropriateness and what due diligence is required when naming facilities for corporations.

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

K. UW-Madison: Authority to Complete the Design and Construct the UW-Managed Zoology 1st Floor Wang Lab Renovation Project

This item requests approval to complete the design and construct the UW-Managed Zoology 1st Floor Wang Lab Renovation project at a cost of \$1.1 million Gift Funds.

Ms. Roe explained that this project will provide research space for a newly hired professor as it remodels a portion of the first floor of the Integrative Biology Research Building into reconfigured space for current research needs. Lab benches and finishes will be upgraded, fume hood efficiency will be improved, and mechanical, electrical, and plumbing systems will be reconfigured.

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

L. UW-Madison: Presentation: *UW-Madison Capital Program*

The presentation provided an overview of the UW-Madison capital project program, including the types of projects, funding sources, approval methods, and delivery methods used. Examples of recent and proposed projects were shown to explain specific aspects of the program and how the university's capital projects support its world-class research, education, and outreach programs and strategic priorities.

Mr. Heller briefly spoke about two of the university's recently constructed gift-funded projects and described other major projects that are in the planning stage or under construction. He added that the state continues to under-invest in maintenance and

facility renewal projects. Mr. Heller described the university's two highest priority projects for inclusion in the 2021-23 capital budget, which are the College of Letters & Science Academic Building project that creates a new home for the Department of History, the Center for Jewish Studies, and a center of American Cultural Studies and the Engineering Building, Phase I project that creates a modern facility for engineering research.

Regent Klein asked about the possibility of using 100-year bonds. Ms. Roe responded that the topic has been raised with the Department of Administration and added that more research will need to be done on the issue.

M. Report of the Senior Associate Vice President

1. State Building Commission Actions

Ms. Roe reported that the Building Commission met on December 12<sup>th</sup> and approved all the projects that the Board authorized last month except for the UW-La Crosse Fieldhouse and Soccer Support Facility project and the UW-Milwaukee Northwest Quadrant Renovation and Student Health Services Remodel project. Those two projects were not included on the December SBC agenda, and those requests will be submitted again for SBC approval in February.

2. 2021-23 Capital Budget and 2021-27 Capital Plan Update

Ms. Roe presented information about preparation of the 2021-27 Capital Plan by describing the planning conference that was held last fall at UW-Eau Claire to meet and give guidance to campus representatives about request document expectations. She mentioned there would be more probing questions about space utilization, enrollment projections, operating budget impacts, fees, rates, and project debt service. She explained capital planning themes and potential targets for sources of capital project funding.

3. Other Updates

There were no other updates.

The Capital Planning and Budget Committee meeting adjourned at 11:55 a.m.