

5/25/2021

## BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

### **Capital Planning & Budget Committee**

by WebEx Videoconference

Thursday, June 3, 2021

8:45 a.m. – 10:00 a.m.

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the April 8, 2021 Meeting of the Capital Planning and Budget Committee
- D. UW System Presentation on Real Estate Advisory Services
- E. UW System: Semi-Annual Status Report on Leasing
- F. UW System: Semi-Annual Status Report on UW Solely Managed Capital Projects
- G. UW-Milwaukee Presentation: UWM's Capital Outlook: Meeting Wisconsin's Needs into the Future
- H. Report of the Senior Associate Vice President
  - a. Building Commission Actions
  - b. 2021-23 Capital Budget Update

## Capital Planning & Budget Committee

June 3, 2021

Item D.

### UW SYSTEM PRESENTATION ON REAL ESTATE ADVISORY SERVICES

#### REQUESTED ACTION

For information only.

#### SUMMARY

In November 2020, UWSA Procurement and Capital Planning and Budget (CPB) issued a Request for Proposals (RFP) for Real Estate Advisory Services, receiving 14 responses. An evaluation committee consisting of representatives from four institutions, CPB, and a city mayor selected a short-list of 11 proposers. After interviews and a review of the proposers' references, six advisors were selected to be part of a 'stable' of advisors. They are as follows: AECOM; Brailsford and Dunlavey, Inc.; HR&A Advisors, Inc.; Jones Lang Lasalle Americas, Inc.; C.H. Johnson Consulting, Inc.; and KPMG LLP. The terms and conditions of the contracts for each advisor have been completed and contracts executed.

The proposed advisory services have been broken down into three phases: 1) identification of a development opportunity and market feasibility; 2) preparation of a solicitation to select a real estate developer who can develop the project identified in phase I and assist in the evaluation of the financial aspects of the project; and 3) recommendation of an ownership model and assist in the negotiation of the partnership agreements. Once an institution has identified a real estate opportunity, the institution will work with CPB to develop a scope of work and select an advisor with whom to work on the first phase of the real estate development.

If any individual project exceeds the \$1,000,000 limit established by Board of Regent Policy Document 13-1, it will be brought before the Board for consideration and approval.

#### Presenter

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget

## Related Policies

- Regent Policy Document 13-1 [“General Contract Approval, Signature Authority, and Reporting”](#)

**STATUS REPORT ON LEASING ACTIVITY  
DECEMBER 1, 2020 THROUGH MAY 31, 2021**

**REQUESTED ACTION**

For information only.

**SUMMARY**

Attached is a summary report of all leases executed by the University of Wisconsin System, Office of Capital Planning and Budget, including housing, from December 1, 2020, through May 31, 2021. Two leases for new space were executed in the last six months, one lease for UW-Madison and the other for UW-Superior. Neither of the leases required Board of Regents approval. Five leases were renewed, amended, or terminated.

New Leases

- UW-Madison, School of Medicine and Public Health, 370 SF
- UW-Superior, Lake Superior Research Institute, 9.5 acres

Renewed, Amended, or Terminated Leases

- UW-Milwaukee, College of Health Sciences/Community Audiology, amended to extend the term one year, 3,266 SF
- UW-Milwaukee, Helen Bader School of Social Welfare, Milwaukee Child Welfare Partnership, renewed for 5 years, 9,700 SF
- UW-River Falls, College of Business and Economics, terminated, 9,551 SF
- UW System, Wisconsin Humanities Council, renewed for three years, 2,944 SF
- UW System, Office of Student Success, terminated, 4,751 SF

**Presenter**

- Ellen Rosner, Real Estate Leasing Specialist

## **BACKGROUND**

Regent Policy Document 13-2, Real Property Contracts: Signature Authority and Approval requires that the Office of Capital Planning and Budget provide a regular report to the Board on all leases not subject to Regent approval. The attached report is intended to meet that requirement.

The policy further directs that the Board of Regents approve a proposed lease when the initial terms of a lease exceed either \$1,000,000 in total cost or five years in length, or the renewal options included in the lease exceed \$1,000,000 in total or five years in length. In addition, a lease that would permit a facility to be privately owned or operated on state-owned land, a lease that would affect agricultural lands, or the lease of a state-owned residence hall to another state agency or nonstate nonprofit agency for the purposes of alternate use, would also require Board of Regents approval prior to execution.

### **Related Policies**

- Regent Policy Document 13-2, [“Real Property Contracts: Signature Authority and Approval.”](#)

### **ATTACHMENTS**

- A) University of Wisconsin System Administration Status Report on Lease Activity

**University of Wisconsin System Administration  
Status Report on Lease Activity**

<b>New Leases</b>								
Executed between December 1, 2020 through May 31, 2021								
Institution	Program or User	Location	Total Square Feet	Term in Years	Gross per Square Foot Rental Rate	Use	Funding Source	Lease Start Date
Madison	School of Medicine & Public Health - Geriatrics study	Oneida	370	1	\$6.00		Gift funds	May-21
Superior	Lake Superior Research Institute	Superior	9.5 acres	5	\$125,000 annual rent including equipment	Ballast water testing	Federal Cooperative Agreement	Jan-21

<b>Other Transactions</b>					
December 1, 2020 through May 31, 2021					
Institution	Program or User	Location	Total Square Feet	Type of Transaction	
Milwaukee	College of Health Sciences	Milwaukee	3,266	Lease term extended one-year to allow investigation of a possible move back to campus.	
Milwaukee	Helen Bader School of Social Work, Milwaukee Child Welfare Partnership	Glendale	9,700	Lease renewal for five-year term	
River Falls	College of Business and Economics	Hudson	9,551	Lease terminated as a cost savings measure. Space was used for evening and weekend adult education.	
System	Wisconsin Humanities Council	Madison	2,944	Lease renewal for three-year term.	
System	Office of Student Success	Madison	4,751	Lease terminated end of March 2020, three months early, as cost savings measure.	

**University of Wisconsin System Administration  
Status Report on Lease Activity**

**Leased Space by Use - System-wide (except Madison)**

As of May 31, 2021

Type of Space	2017	2018	2019	2020	2021	Change 2017 to 2021	Percent of Total
Office	133,949	144,782	143,602	143,602	137,581	3,632	10.5%
Lab	47,046	59,692	89,501	89,501	89,501	42,455	6.8%
Radio Station	21,085	21,085	21,085	21,085	21,085	0	1.6%
Daycare	37,681	30,721	38,178	41,238	41,238	3,557	3.1%
Clinic	47,415	23,479	23,479	23,479	23,479	(23,936)	1.8%
Classroom	15,530	26,907	26,907	26,907	17,356	1,826	1.3%
Greenhouse	4,800	4,800	0	0	0	(4,800)	0.0%
Storage	2,613	2,613	2,613	2,613	2,613	0	0.2%
Retail	2,116	2,116	2,116	2,116	2,116	0	0.2%
Performance Space	0	74,803	74,803	74,803	74,803	74,803	5.7%
Housing	<u>804,065</u>	<u>891,585</u>	<u>906,705</u>	<u>906,705</u>	<u>906,705</u>	<u>102,640</u>	68.9%
<b>Total</b>	<b>1,116,300</b>	<b>1,282,583</b>	<b>1,328,989</b>	<b>1,332,049</b>	<b>1,316,477</b>	<b>200,177</b>	

**Leased Space by Use - Madison**

As of May 31, 2021

Type of Space	2017	2018	2019	2020	2021	Change 2017 to 2021	Percent of Total
Office	220,929	225,975	236,135	273,995	273,995	53,066	58.0%
Lab	102,174	99,973	99,973	99,973	99,973	(2,201)	21.2%
Clinic	23,118	4,200	4,200	4,200	4,570	(18,548)	1.0%
Greenhouse	60,000	60,000	60,000	60,000	60,000	0	12.7%
Storage	<u>24,025</u>	<u>24,025</u>	<u>24,025</u>	<u>34,025</u>	<u>34,025</u>	<u>10,000</u>	7.2%
<b>Total</b>	<b>430,246</b>	<b>414,173</b>	<b>424,333</b>	<b>472,193</b>	<b>472,563</b>	<b>42,317</b>	

**STATUS REPORT ON UW SOLELY MANAGED CAPITAL PROJECTS  
DECEMBER 1, 2020 THROUGH JUNE 1, 2021**

**REQUESTED ACTION**

For information only.

**SUMMARY**

Attached is a status report of gift- and grant-funded projects managed solely by the University of Wisconsin System from December 1, 2020, through June 1, 2021. Since its inception in July 2015, the program has included a total of 86 projects.

The total value of the projects that are or have been part of the program has increased from \$148,809,452 in December 2020 to \$172,018,541.

**Program Statistics:**

- 28 active projects valued at \$78.5 million
- 27 projects, \$64.4 million, are completed and working on close-out activities
- 16 of the current projects are studies, totaling \$1.9 million
- 21 of the current projects include both design and construction, totaling \$75.9 million
- One project, with a budget value of \$1.9 million, is on hold

**Presenter**

- Patrick Rebholz, UW-Managed Assistant Director – Project Delivery

**BACKGROUND**

Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority" requires that the Board of Regents receive regular reports on the program. These projects are solely funded through gifts and grants and authorized through Wisconsin State Statute Section 16.855 (12m). This report is intended to meet the regular reporting requirement.



The policy further directs that contracts for UW-managed projects that exceed \$1,000,000 require formal approval by the Board of Regents prior to 25% design completion.

### **Related Policies**

- [Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority"](#)

### **ATTACHMENTS**

- A) Status Report on UW Solely Managed Capital Projects, June 2021

**University of Wisconsin System**  
 Status Report on UW Solely Managed Capital Projects  
 June 2021

**Projects Less than \$1 Million**

Project Phase	Project Name	Campus	Project ID	Project Budget	A/E Selection	GC Bid Date	Construction Start	Complete
<b>Initiating Project</b>	Lakeshore Nature Preserve Master Plan Update	MSN	A-21-004	\$80,000	7/30/2021			3/15/2022
	MSC - Bardeen - BRMS Emergency Generator - Advanced Planning	MSN	A-20-017	\$40,000	1/22/2021			7/30/2021
	Stovall Building - State Hygiene Lab Renovation - Advanced Planning	MSN	A-20-015	\$40,000	10/26/2020			8/23/2021
	Wood Hall Financial Laboratory Renovations	GBY	D-21-002	\$650,000	4/20/2021	8/15/2021	9/15/2021	1/15/2022
<b>Design</b>	Computer, Data & Information Sciences Building Advanced Planning	MSN	A-20-013	\$400,000	10/14/2020			6/15/2021
	Divine Nine Garden Plaza Renovation	MSN	A-20-020	\$250,000	12/17/2020	6/15/2021	8/15/2021	11/15/2021
	Library Mall Redevelopment Study	MSN	A-20-006	\$52,000	6/3/2020			8/15/2021
	University Club Building Assessment and Food Service Study	MSN	A-20-002	\$125,000	1/24/2020			10/1/2021
	UW-GB Arboretum Bridge Replacements	GBY	D-21-001	\$300,000	2/4/2021	8/15/2021	10/15/2021	1/15/2022
<b>Construction</b>	Linden Drive Temporary Bridge Over Willow Creek	MSN	A-20-011	\$750,000	6/10/2020	3/4/2021	4/7/2021	7/16/2021
<b>Punch List</b>	HSLC - Academic Affairs Curriculum Enhancement Project - Phase 2	MSN	A-20-004	\$601,089	2/25/2020	11/17/2020	1/5/2021	4/30/2021
				<b>In Process Total:</b>	<b>\$3,288,089</b>			
<b>Complete</b>	445 Henry Mall	MSN	A-18-001	\$810,000	3/2/2018	8/28/2018	9/26/2018	3/8/2019
	Agricultural Dean's Residence Renovation	MSN	A-19-007	\$350,000	10/9/2020			5/15/2021
	Biochemical Sciences Coon Lab Advanced Planning	MSN	A-20-019	\$30,000	11/11/2020			5/1/2021
	Budget Estimating Verification	MSN	A-19-005	\$100,000	9/23/2019			8/15/2020
	Chemistry 4th Floor Laser Lab	MSN	A-18-012	\$612,500	11/14/2018	11/26/2019	1/6/2020	8/26/2020
	Engineering Hall Chemical and Biological Engineering Labs Study	MSN	A-20-010	\$86,000	6/26/2020			1/28/2021
	IDP (Ice Drilling) Facility Study	MSN	A-19-002	\$25,000	1/17/2019			9/15/2019
	Off Site Collections and Preservation Facility Study	MSN	A-20-007	\$119,000	4/20/2020			5/3/2021
	Public Media Planning Study	MSN	A-20-003	\$100,000	5/5/2020			5/3/2021
	School of Business Facilities Master Plan	MSN	A-20-008	\$250,000	4/23/2020			5/3/2021
	SoHE Renovation	MSN	A-18-017	\$814,000	12/10/2018	1/7/2020	3/15/2020	8/4/2020
	Steenbock Active Learning Study	MSN	A-19-009	\$55,000	12/11/2019			6/15/2020
	WIMR Oxygen & Carbon Supply – Advanced Planning	MSN	A-20-016	\$40,000	11/12/2020			4/16/2021
					<b>Complete Total:</b>	<b>\$3,391,500</b>		
				<b>Total:</b>	<b>\$6,679,589</b>			

**University of Wisconsin System**  
 Status Report on UW Solely Managed Capital Projects  
 June 2021

**Projects \$1 Million and More**

Project Phase	Project Name	Campus	Project ID	Project Budget	BOR	A/E Selection	GC Bid Date	Construction Start	Complete	
<b>Initiating Project</b>	DoIT Digital Publishing & Printing Services Relocation	MSN	A-21-002	\$2,212,000	Approved	4/28/2021	8/15/2021	9/15/2021	2/15/2022	
	Engineering Hall CBE Instructional and Research Lab Renovation	MSN	A-21-003	\$10,229,000		6/15/2021	4/15/2022	6/15/2022	6/15/2023	
	Facilities Planning & Management Physical Plant Relocation	MSN	A-21-001	\$9,000,000	Approved	3/23/2021	10/15/2021	12/15/2021	4/15/2022	
<b>Design</b>	Engineering Hall Sprinkler and Gas Piping - Phase 1	MSN	A-20-014	\$4,239,000	Approved	7/9/2020	7/29/2021	8/20/2021	4/15/2022	
	Memorial Union Additions and Repairs	MSN	A-20-018	\$5,000,000	Approved	9/14/2020	6/24/2021	8/2/2021	4/22/2022	
	WIMR Dock and NIH Research Lab Renovation	MSN	A-20-005	\$5,350,000	Approved	4/29/2020	8/10/2021	9/17/2021	9/30/2022	
<b>Hold</b>	Primate Center Generator	MSN	A-17-033	\$1,900,000	Approved	1/24/2018				
<b>Bidding</b>	Chamberlin Hall 6th Floor Instrumentation Lab Renovation	MSN	A-20-009	\$1,700,000	Approved	6/11/2020	4/20/2021	6/7/2021	10/1/2021	
<b>Construction</b>	Biochemistry Cryo-Electron Microscopy Renovation	MSN	A-20-012	\$2,400,000	Approved	6/25/2020	3/4/2021	4/12/2021	9/28/2021	
<b>Construction</b>	Weeks Hall 4th Floor Dutton Lab Renovation	MSN	A-19-008	\$2,190,000	Approved	12/10/2019	2/4/2021	3/15/2021	11/10/2021	
<b>Punch List</b>	Chemistry 2nd Floor Wang Lab Remodel	MSN	A-20-001	\$1,369,000	Approved	1/16/2020	10/22/2020	11/30/2020	5/7/2021	
	Educational Science Interior Renovation - 4th Flr	MSN	A-17-009	\$3,000,000	Approved	5/23/2018	7/16/2020	8/15/2020	1/22/2021	
	Kinesiology Relocation	MSN	A-19-001	\$12,000,000	Approved	1/30/2019	12/11/2019	12/16/2019	10/1/2020	
	Memorial Hoofers Dock and Deck Replacement	MSN	A-17-001	\$4,900,000	Approved	3/22/2017	8/8/2018	10/1/2018	7/17/2019	
	Welcome Center and Administration Building	EAU	C-17-001	\$5,500,000	Approved	7/26/2017	1/15/2020	4/1/2020	5/31/2021	
	Upham Administrative Building Replacement	MSN	T-18-001	\$3,096,000	Approved	4/25/2018	12/17/2019	4/13/2020	5/4/2021	
	Zoology 1st Floor Wang Lab Renovation	MSN	A-19-006	\$1,136,000	Approved	11/1/2019	7/23/2020	8/20/2020	3/30/2021	
			<b>In Process Total:</b>	<b>\$75,221,000</b>						
<b>Complete</b>	Bascom Hall Rm 165 Renovation	MSN	A-18-005	\$1,900,000	Approved	6/28/2018	9/24/2019	10/28/2019	10/9/2020	
	Biochemistry Electron Microscopes	MSN	A-18-004	\$2,250,000	Approved	10/3/2018	5/16/2019	6/28/2019	6/15/2020	
	Biochemistry Loading Dock	MSN	A-17-007	\$1,650,000	Approved	7/13/2018	4/24/2019	6/17/2019	2/21/2020	
	Engineering Centers and Materials Science Lab Renovation	MSN	A-18-013	\$2,857,000	Approved	11/14/2018	9/9/2019	10/21/2019	4/18/2020	
	Engineering Hall Plaza Entrance	MSN	A-18-006	\$1,425,815	Approved	8/22/2018	3/28/2019	6/1/2019	2/17/2020	
	HSLC - Academic Affairs Curriculum Enhancement Project	MSN	A-16-006	\$16,025,264	Approved	9/29/2016	6/5/2017	6/20/2017	8/10/2018	
	Memorial Library Press	MSN	A-18-002	\$1,424,000	Approved	6/5/2018	1/17/2019	2/11/2019	8/20/2019	
	MSC-Chemistry Learning Center Remodel	MSN	A-18-010	\$1,300,000	Approved	8/29/2018	8/15/2019	9/23/2019	7/23/2020	
	Nielsen Tennis Indoor/Outdoor Court Resurface & Additional Courts	MSN	A-16-020	\$2,000,000	Approved	1/10/2017	5/9/2018	6/8/2018	9/12/2018	
	Red Gym Interior Remodel	MSN	A-18-007	\$2,000,000	Approved	8/2/2018	1/7/2020	2/4/2020	11/6/2020	
	Simpson Field Renovation	EAU	C-18-001	\$2,000,000	Approved	11/14/2018	8/1/2019	8/26/2019	6/15/2020	
	WARF Office Bldg 2nd & 4th Floor Improvements	MSN	A-17-005	\$2,000,000	Approved	8/23/2017	6/12/2018	7/13/2018	1/31/2019	
	WIMR West Wedge	MSN	A-16-001	\$21,169,400	Approved	4/6/2016	2/13/2018	3/7/2018	9/10/2019	
				<b>Complete Total:</b>	<b>\$58,001,479</b>					
				<b>Total:</b>	<b>\$133,222,479</b>					